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Latin America

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FBIS-LAT-94-218 *10 November 1994*

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Central America Reacts to Proposition 187 Approval

PA1011031894 Mexico City NOTIMEX in Spanish 0059 GMT 10 Nov 94

[FBIS Translated Excerpt] San Jose, 9 Nov (NOTIMEX)—Expressions of denunciation today marked Central America's initial reactions to California's approval of the anti-immigrant Proposition 187, supported by reelected Governor Pete Wilson.

The majority of the Central American governments expressed their repudiation of the referendum-approved proposition, which could deny access to basic health and educational services to all undocumented aliens, as well as to their children born in the United States.

Governments and various sectors throughout the region agreed in describing the initiative as "xenophobic" and "a violation of the rights of the individual." Proposition 187, which is still awaiting to be evaluated by the U.S. Congress, has to meet a number of requirements before being implemented.

Guatemalan Foreign Relations Minister Maritza Ruiz Vielman urged U.S. President William Clinton to maintain a firm position against the anti-immigrant proposal. The goal of the measure, according to the foreign minister, "is to discriminate against those people who have placed their hopes for a better life in that nation." [passage omitted]

Meanwhile, the Honduran Government said, "it is unfortunate that it should be precisely in the United States, a country which has of late become an advocate of human rights in our nations, that laws such as this—laws that violate the rights of the individual—are approved." [passage omitted]

In Costa Rica, Daniel Camacho, director of the Commission for the Defense of Human Rights in Central America (Codehuca), noted that the vote "is causing concern throughout the entire world," because it "exposes an underlying feeling of xenophobia." He added, "No nation should remain unmoved in the face of this clear violation of the fundamental rights of all human beings."

Meanwhile, Father Conrado Sanjur, director of the Panamanian People's Human Rights Commission (Copodehupa) warned, "There is a racist movement that has made itself known in California." The clergyman added that Proposition 187 "may well be the spearhead to encourage (a policy of racism) throughout the rest of the United States."

Atencio Lopez, coordinator of the Indian People of Panama Legal Counsul (CJDPIP), said, "It is insane to approve a bill such as this at this time in U.S. history when Anglo-Saxons no longer represent a majority."

Initial reactions in Central America came just hours after newspaper reports on yesterday's voting results in California began to circulate throughout the region.

Presidents To Unite Against Proposition

PA1011024894 Mexico City NOTIMEX in Spanish 0158 GMT 10 Nov 94

[FBIS Translated Text] Guatemala City, 9 Nov (NOTIMEX)—The governments of Central America will jointly ask the United States to prevent the implementation of California's Proposition 187, which denies basic services to illegal immigrants, an official Guatemalan source stated today.

Guatemalan Presidency spokesman Felix Loarca said the presidents of Guatemala, Honduras, El Salvador, Costa Rica, Nicaragua, and Panama "have begun discussions, and they are likely to present a united position" to Washington.

Loarca indicated that Guatemalan President Ramiro de Leon Carpio is asking his Central American colleagues to oppose the initiative approved Tuesday by the California voters. Proposition 187, sponsored by California Governor Pete Wilson, who also managed to get reelected in Tuesday's balloting, will hurt thousands of Mexicans and Central American immigrants who travel to the United States without documents.

The official explained that the Central American presidents will ask their U.S. colleague William Clinton to resort to all possible legal means to have the proposition declared unconstitutional.

The spokesman added that the Guatemalan president is "saddened" and "baffled" by the outcome of the vote in the United States—an outcome that favors an initiative which adversely affects the human rights of undocumented aliens. Official reports indicate there are more than 1 million Guatemalans living in the state of California.

Mercosur, Andean Pact Members Extend Accords

PY0911174194 Madrid EFE in Spanish 1919 GMT 8 Nov 94

[FBIS Translated Text] Montevideo, 8 Nov (EFE)—Sources from the Latin American Integration Association (ALADI) reported today that representatives of the member countries of the Common Market of the South (Mercosur) and the Andean Pact have agreed to extend the agreements that are in effect among them within the framework of ALADI until 30 June 1995.

Diplomats from Argentina, Brazil, Paraguay, and Uruguay, members of Mercosur, and from Bolivia, Colombia, Ecuador, Peru, and Venezuela, members of the Andean Pact, analyzed on 7 November the current trade agreements and bases for their future negotiation.

Venezuelan representative Juan Francisco Rojas, assistant secretary general of ALADI, told EFE that "as in any negotiation there are difficulties and rough edges, but we have reached an agreement that will be established in a protocol to extend the current agreements within the framework of ALADI until 30 June."

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Rojas stressed the importance of the fact that "the Andean Pact will be united once again" after some differences among its members.

There is a desire for smooth relations between Mercosur and the Andean Pact which "has brought tranquility to the negotiations, and surely an agreement will be reached to the satisfaction of all parties," Rojas added.

The negotiations seek to set the groundwork for the liberalization of trade between the two groups.

A single customs system will be in effect as of 1 January 1995 among Mercosur members, although with protection of the most sensitive sectors of the respective national economies.

ALADI Secretary General Antonio Antunes, a Brazilian, stated recently during a meeting with foreign press correspondents in Uruguay that "the Latin American integration process has reached a point of no return, and although it will not be the solution for all the problems of the region, it will help overcome many of them."

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Cuba

Lage Affirms Convertible Peso Issue Still Undecided

FL1011030394 Havana Radio Reloj Network in Spanish 2035 GMT 9 Nov 94

[FBIS Translated Text] Carlos Lage, secretary of the Executive Committee of the Council of Ministers, has stated that the Cuban Government has yet to make a decision regarding the creation of a convertible peso. Lage met briefly with reporters in Havana following the closing session of a three-day seminar on the industrial and craft items markets slated to begin operating on 1 December. Lage added that a decision has not been taken yet in response to the reporters' questions about the printing of a bill that would replace foreign currencies within the Cuban market. Lage affirmed that the goal is to strengthen the peso.

Lage, also dismissed the implementation, any time soon, of a general salary reform and reiterated that Cuba is a socialist country which only adopts the measures necessary to maintain its basic social accomplishments at a time of severe economic depression.

GRANMA Warns U.S. Sectors Trying To Block Migration Accord

PA0911223094 Havana PRENSA LATINA in Spanish 1553 GMT 9 Nov 94

[FBIS Translated Text] Havana, 9 Nov (PL)—Despite Cuba and the United States having agreed to resolve the status of Cubans confined at Guantanamo Naval Base, GRANMA reports that there are some U.S. sectors determined to block this agreement.

Following a recent ruling by a Miami federal judge prohibiting the voluntary return of those Cubans who are at the Guantanamo Naval Base (Cuba), an editorial published by GRANMA warns against the arbitrariness of U.S. policies.

In addition, the editorial quotes statements by U.S. General Raymon Ayres, who provided details of possible means other than those already established that are being evaluated by his country's authorities to allow the exit of those Cuban citizens confined at that military installation.

The Havana-Washington negotiations that took place in September included the White House's commitment to grant a minimum of 20,000 annual visas to those Cubans who may wish to emigrate to the United States. In addition, the negotiations confirmed that both nations have a common interest in stopping any further perilous departures from the island that may endanger human lives.

The newspaper points out that some specific U.S. sectors, which have turned their backs on the agreement to suit their own self- interests, are trying to control the lives of thousands Cubans confined on that piece of national territory--territory illegally occupied by the United States.

GRANMA contends that last week, after a Miami judge ordered a halt to the voluntary repatriation process, dozens of Cubans attempted to escape the dusty and stifling camp by undertaking a journey that involved crossing a barbed wire fence, eluding U.S. soldiers, crossing coral reefs, and swimming two miles to reach sovereign territory.

Further on, the editorial points out that another escape route involves crossing the mine field that surrounds the base—a journey that has already led to the deaths of several people.

Likewise, the newspaper also refers to a REUTER dispatch, according to which Gen. Ayres said, "U.S. authorities responsible for Guantanamo Naval Base are considering a plan that will facilitate the escape of Cubans detained there. [no closing quotation marks as received]

REUTER went on to quote the military officer further: "He adds that he is considering the possibility of moving the camps closer to the Cuban border to allow rafters to escape."

In light of these tremendously irresponsible statements, the editorial notes that the Cuban Government has contacted the U.S. Interests Section in Havana to express Cuba's unease about this disclosure, and it requested more detailed information.

The publication highlights that so far there has been no response whatsoever. In addition, the newspaper discloses that on 4 November it was able to identify 728 Cubans interested in returning to the country at a camp close to the base perimeter—in other words, at a site suitable for carrying out the plans that have been made public.

Nearly 116 people who had expressed their willingness to return have managed to escape since that date.

What is the United States' real policy, the newspaper editorial asks, noting that Cuba has strictly complied with the provisions of the New York agreement approved in September.

GRANMA Warns Against Moving Guantanamo Refugee Camp

FL0911200994 Havana Radio Rebelde Network in Spanish 1800 GMT 9 Nov 94

[From the "National Radio News"]

[FBIS Translated Text] On 9 November the newspaper GRAMMA denounced the intention of U.S. General Raymon Ayers to throw Cuban rafters who wish to leave Guantanamo naval base into the minefields. GRAMMA cites a report by the British press agency REUTERS, and states that the plan mentioned by the high-ranking

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military officer contemplates the possibility of moving the camp close to the Cuban border to facilitate the escape of rafters. The idea is to prevent the crossing of the border between the base and Cuban free territory by sea, thus reducing the rafters' risk of drowning.

However, GRAMMA warns, people crossing the border always arrive on land before reaching the minefields, thereby running the same risks that those who cross the fence by land do. They are exposed to serious harm, even death, in the minefields.

So far, it is known by the observation of events, a group of 728 Cuban citizens who have voluntarily agreed to return to Cuba have already been quickly placed in a camp located close to the Guantanamo base perimeter, in the eastern area near the coast. This is the most suitable location for making the plans disclosed by General Raymon Ayers feasible.

Between 5 and 6 November 58 people have escaped. They have ended up in the minefields. They were able to survive thanks to extraordinary and risky efforts by Border Patrol troops.

Since 3 November the Cuban Government has been asking the United States for precise news regarding the information which revealed plans to throw rafters into the minefields. So far there has not been a clear answer. In the meantime, Cuba has been strictly complying—with exemplary seriousness and order—with the stipulations of the New York agreement.

Repatriation of Haitians From Guantanamo Begins

FL0911134994 Havana Radio Progreso Network in Spanish 1200 GMT 8 Nov 94

[From the "First Thing" program]

[FBIS Translated Text] Approximately 150 Haitians from the Punta de Maisi refugee center, in Guantanamo Province, are to be flown back to Haiti today. This is part of a new phase of voluntary repatriations which will last several days and will benefit over 400 Haitian emigrants currently at the Punta de Maisi center. The repatriation will take place step by step. The refugees will be flown in groups from the Mariana Grajales Airport in Guantanamo City.

Chinese Delegation Meets With Alarcon, Others

FL0911194894 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 8 Nov 94

[From the "NTV" newscast]

[FBIS Translated Text] A delegation of the National People's Congress [NPC] of the People's Republic of China, headed by Zhu Liang, NPC Standing Committee member and president of the Foreign Affairs Committee, is visiting Cuba.

This morning, after placing a floral wreath at the monument in memory of the Chinese who fought for Cuba's independence, the Asian delegation held a meeting with Jorge Lezcano, president of the Foreign Affairs Commission here. Afterwards, the delegation met with Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government, Jose Luis Rodriguez, minister of Finances and Prices, and Ricardo Cabrisas, minister of Foreign Trade.

During their stay in Cuba, Zhu Liang and his entourage will evaluate the plans for the reconstruction of Chinatown during meetings with government officials in the capital and they will meet with Cuban Foreign Minister Roberto Robaina. The NPC is made up of 2,970 deputies and has seven specialized commissions serving five-year terms. The main objective of this visit is to promote the exchange of experience with their Cuban counterparts.

Castro Receives Former Tanzanian President

PA0911122294 Havana PRENSA LATINA in Spanish 1455 GMT 8 Nov 94

[FBIS Translated Text] Havana, 8 Nov (PL)—President Fidel Castro has met with Julius Nyerere, former Tanzanian president and chairman of the South-South Commission, who today is wrapping up a working and social visit to this Caribbean nation, the daily GRANMA newspaper has reported.

At the meeting, Nyerere said the visit was intended to express his solidarity with Cuba and to take advantage of the opportunity to report on the successes of the South-South Commission, an insitution over which he presides, in the area of Third World development.

The former Tanzanian president was accompanied by Gosovic Branislav and Charles A. Sanga, two members of his team. Those attending on behalf of the Cuban side included Manuel Agramonte, director of the Foreign Ministry's Sub-Saharan Africa Section.

During his eighth visit to Cuba, the South-South Commission president urged the U.S. Government to use every available means to end a history of hostility against Cuba.

Havana marked the first leg of the former Tanzanian president's tour of Latin America, which includes stops in San Jose (Costa Rica) and Santa Fe de Bogota (Colombia).

The South-South Commission comprises 35 countries, including Cuba, and it is headquartered in Geneva, Switzerland.

Ugandan Minister of Foreign Affairs Ends Visit

FL1011030094 Havana Radio Rebelde Network in Spanish 0000 GMT 10 Nov 94

[From the "Exclusive" program]

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[FBIS Translated Text] Kirunda Kivejinja, Uganda's minister of state for foreign affairs, has described his trip to Cuba as very positive. Before his departure this afternoon, Kivejinja praised the meetings held with high-level Cuban officials, including Foreign Minister Roberto Robaina, Foreign Trade Minister Ricardo Cabrisas, and Ernesto Melendez, minister of foreign investments and economic cooperation. Kivejinja was pleased with the development of the third joint Cuba-Uganda intergovernmental commission which concluded with the signing of a cooperation protocol in public health, education, and sports. Kivejinja also pointed out the prospects opened by the establishment in Uganda of a school of medicine managed by Cuban specialists and the sending Cuban teachers and trainers.

Since 1965, 112 Ugandan students have graduated in Cuba, 77 in higher studies, and 25 in middle school teaching.

Kivejinja, a founding member of the African, Asian, and Latin American Peoples Solidarity Movement, added that in 1976, when this organization was created in Havana, one of the goals was to fight against neocolonialism and, today, South Africa is free.

Expanded Cooperation Accord Signed With Spain

PA1011221894 Havana PRENSA LATINA in Spanish 0253 GMT 9 Nov 94

[FBIS Translated Text] Havana, 8 Nov (PL)—Cuba and Spain today signed an agreement that expands Spain's cooperation with the island in the fields of education, technological and financial assistance, and the restoration of Old Havana.

After signing the agreement, Jose Luis Dicenta, Spanish secretary of state for cooperation and development and for Ibero-America, said: "This document expands cooperation and, we could say, opens doors to new horizons in these relations."

Ernesto Melendez, minister of foreign investment and economic cooperation, signed on behalf of Cuba. He referred to "the open and friendly atmosphere in which the talks took place." The talks began yesterday and concluded today.

Melendez said, "The work program agreed upon during the meeting establishes Spain's commitment to supply not only material and financial resources, but also to offer training."

According to Eusebio Leal, Havana historian and president of the Habaguanex company, the document includes four important projects involving the reconstruction of Havana's historic district.

Leal reported the conclusion of the works in the Saint Francis of Assisi Monastery, the assistance given to the Restoration School, and the creation of an urban planning center and of a Spanish Cultural Center in this capital.

Jose Luis Dicenta held an intense series of discussions with Minister Melendez; Rosa Elena Simeon, minister of science, technology, and environment; Culture Minister Armando Hart; Foreign Minister Roberto Robaina; and Vice President Carlos Lage.

The Cuban authorities honored their guests with a concert in the reception room of the monastery, which was constructed in the 17th century. The Romeu Chamber Music Company under the direction of Zenaida Romeu was in charge of the concert which greatly pleased the audience with its interpretation of works by European and Cuban composers.

During a ceremony to formally inaugurate the restored Basilica Menor of Saint Francis of Assisi, the building's cornerstone was set in place. Underneath the cornerstone was placed a chest with a list of the names of all those who worked on its reconstruction, coins from Spain and Cuba, and other commemorative documents.

Alarcon, Lage, Robaina To Address Solidarity Meeting

FL0911011494 Havana Radio Reloj Network in Spanish 2056 GMT 8 Nov 94

[FBIS Translated Text] More than 2,200 people worldwide have confirmed their participation in the First International Solidarity with Cuba meeting to be held in Havana on 21-25 November. This information was provided this morning by Sergio Corrieri, president of the Cuban Institute of Friendship with Peoples, during a news conference at the Foreign Ministry's International Press Center. The international solidarity meeting is being sponsored by 52 Cuban mass, social, and professional organizations and responds, Corrieri added, to the unanimous request of the movements worldwide that support the Cuban people. Representatives from over 90 organizations, political parties, religious groups and churches, unions, and parliamentary groups will attend the meeting in Havana.

The International Solidarity With Cuba meeting will take place only a few days prior to the summit in Miami from which Cuba has been excluded. Corrieri added that this will send a message that Cuba is not isolated. The condemnation of the U.S. blockade, recently rejected by the UN General Assembly, will be one of the main goals of the meeting. The meeting will also include discussions on information and disinformation on Cuba, and provide a forum for an exchange of experiences among groups that support the Cuban people, and will include special addresses by Ricardo Alarcon, Carlos Lage, and Roberto Robaina.

Regional Nuclear Technology Workshop Opens

FL0911161494 Havana Radio Rebelde Network in Spanish 1800 GMT 7 Nov 94

[From the "National Radio News"]

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[FBIS Translated Text] A regional workshop on recent developments in nuclear technology began on 7 November in the Center for Applied Studies on Nuclear Development. Cuban physicist Vicente Osorio, International Atomic Energy Agency [IAEA] representative, outlined the goals of the workshop.

[Begin Osorio recording] This workshop will address a very important issue in nuclear technology. New spectrometric and nuclear technology compact systems have appeared as a result of the boom and development of electronics and microchips. These highly technological systems are designed for use in nuclear plants to measure environmental conditions. They are also used in nuclear research. The equipment, which is very expensive and was introduced within the past year, includes high technology microprocessors and software.[end recording]

Three important businesses in nuclear technology will participate in the workshop: (Aptec), from Canada; (Silena), from Italy; and (Fact), from Germany.

This is the first IAEA workshop, and possibly the first worldwide, to evaluate new and technologically advanced nuclear equipment.

Meeting Proposes Nuclear Contamination Control Network

PA1011023694 Havana PRENSA LATINA in Spanish 1427 GMT 8 Nov 94

[By Maritza Barranco]

[FBIS Translated Text] Havana, 8 Nov (PL)—A clearly integrationist vision is evident at the Caribbean Sea S.O.S. International Roundtable, which is under way in this city and has outlined joint actions to create a regional network to control radioactive contamination.

Experts from Cuba's Executive Secretariat of Nuclear Affairs explained the need for such a network in the Caribbean Sea, because it receives water from the Mississippi River which, in turn, is contaminated with waste from U.S. nuclear plants along its banks.

The experts also presented maps that showed geographic areas that were used as nuclear waste dumping sites. They said that although these dumps are sealed under strict international rules, they still pose a potential risk.

The experts determined that fish and other marine species contain high concentrations of radioactivity, thereby making oceanic decontamination an environmental priority because a high percentage of the region's food supply is culled from the sea.

The Caribbean is vulnerable to environmental fragility because it is a point of transit and convergence. Of every 14,000 ships that transit the Panama Canal alone, more than 100 carry radioactive cargo.

According to the experts, although these shipments are carried out under strict safety conditions, an environmental control network would make the early detection of accidental leaks possible.

The proposal, which was welcomed by representatives of the 10 countries participating in the roundtable, was immediately supported by Mauricio Obregon, president of the Colombian Oceanographic Committee, who offered his institution's two ships for use in scientific missions.

The Cuban "Nature and Man" foundation headed by Dr. Antonio Nunez Jimenez will be the coordinating center for this project, as well as other activities that will come out of this meeting, which ends on Wednesday.

Cuban Vice Minister of Transportation Noel Toledo agreed on the need to appeal to the Caribbean countries to adopt this proposal with a clear integrationist vision, thereby contributing whatever each country can to the environmental cooperation plan.

Poll Results Question Castro's Popularity

95P20142A

[Editorial Report] Sao Paulo VEJA in Portuguese of 19 October 1994 on page 54 reports that in September six reporters from Azteca Television conducted a poll of 400 people in Havana to survey the opinions of the "average Cuban." The reporters pretended to be researchers from the University of Mexico in order to avoid problems with the police, the article explains. Asked whether they are in favor or against Fidel, 66 percent of the respondents said they are against Castro while 22 percent responded in favor. In answer to the question, "Is Fidel a Dictator," 77 percent said yes; 27 percent no; 6 percent "more or less." Castro's greatest virtues are intelligence (43 percent) and power (22 percent), while his greatest weaknesses are arrogance (43 percent) and oppressiveness (35 percent). The greatest successes of the revolution are health and education (64 percent) and freedom and equality (17 percent), while the greatest errors include economic failure (27 percent), isolation (23 percent), and inequality (22 percent).

Numbers of Nicaraguan Students Decline

95P2OI37A

[Editorial Report] Managua LA PRENSA in Spanish of 25 October 1994 on page 15 reports that Nicaraguans studying in Cuba are having a "difficult" time due to the "political and economic crisis" on the island. Digna del Carmen Solis Delgadillo, coordinator of the National Association of Heads of Families, said that no more students will remain on the island after the year 2000. According to the article, groups of 60 to 80 of the approximately 300 Nicaraguan students in Cuba will return to their native country between 1996 and 1999, with the remaining 14 returning in the year 2000.

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Export Products Not To Be Sold at Industrial Markets

FL1011133094 Havana Radio Reloj Network in Spanish 2058 GMT 8 Nov 94

[FBIS Translated Text] At the national seminar on industrial and craft items markets being held in Havana, and scheduled to conclude on 9 November, it was stressed that export products will not be sold in these markets. Another interesting subject discussed at the meeting was the preparation of the markets for holidays, such as Mother's Day, when managers must use all their creativity to come up with better and more attractive items. Several of the participants at the seminar agreed that display windows have to be used effectively to show costumers the items being sold and their prices.

In addition to the importance of making the markets appealing, participants discussed the need of calculating the capacity and potential of every market facility.

Lage Speaks at Seminar on Industrial Markets

FL1011031194 Havana Radio Rebelde Network in Spanish 1800 GMT 9 Nov 94

[From the "National Radio News"]

[FBIS Translated Text] Carlos Lage Davila, vice president of the Council of State and secretary of the Executive Committee of the Council of Ministers, gave the closing address at the national seminar on industrial and craft items markets. Lage explained that the ulterior economic goal of the Cuban state is not marketing but gradually increasing production.

[Begin Lage recording] Therefore, it does not fully please us that there is a market with a limited number of items at high prices. That is truly the situation with the farmers' markets. The industrial items markets will more than likely be like that too. Therefore, our goal is another. What we are after is to increase production and the supply of goods and services to the entire population. This is what has always characterized the revolution, and what will always characterize the revolution. [end recording]

Lage explained that in Cuba it will never be possible to implement a process of privatization of market entities, nor will services be ever turned over to cooperatives.

[Begin Lage recording] There are not plans to privatize stores, nor is this possible. There are no plans to turn stores over to cooperatives. A few days ago I was asked if grocery stores were going to be privatize. I answered that that is absolutely impossible. Grocery stores have to distribute the ration quotas to the population. The ration book is the responsibility of the state and has to be run by the state. We have a need for the food ration book. We need that distribution. We have no plans to eliminate the ration book because we do not have the conditions to do so. [end recording]

The industrial and craft items markets are slated to open on 1 December. Self-employed workers, industries with secondary productions, authorized entities, and local industries will be the main participants.

Politburo's Lazo Urges Quick, Efficient Sugar Harvest

FL0911162894 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 8 Nov 94

[From the "NTV" newscast]

[FBIS Translated Text] The goal of Havana's Cuban Workers Federation [CTC] 1 May contingent is to cut 40 million sugarcane arrobas during the upcoming sugarcane harvest. The contingent of 1,824 Havana City residents must deliver 782,000 arrobas daily to seven mills in Havana Province.

Esteban Lazo Hernandez, member of the Politburo and first secretary of Havana City Communist Party of Cuba [PCC], presented an award banner to the 1 May contingent, while citing the causes that have produced a decline in sugar production during past harvests.

[Begin Lazo recording] One of the first things we should do in order to recover, is complete the shortest possible harvest with the highest achievable efficiency. [end recording]

Lazo urged brigades to go about their daily duty with an emphasis on quality from the beginning. He also stressed reducing absenteeism, and increasing discipline and productivity.

The award ceremony coincided with the anniversary of Havana City's October Revolution Brigade, which is expected to meet the sugarcane cutting goal of 120 million [units not specified]. The anniversary was recalled by Pedro Ross Leal, CTC General Secretary, who also congratulated Heroes de la Mocha contingent during the 30th anniversary of the Millionaires Movement.

Ministry Spokesman on Efforts To Preserve Social Project

PA0911122094 Santa Fe de Bogota EL TIEMPO in Spanish 30 Oct 94 p 18a

[Interview with Miguel Alonso, spokesman for the Cuban Foreign Relations Ministry, by unidentified reporter in Havana; date not given]

[FBIS Translated Text] [EL TIEMPO] A number of openly capitalist measures are being taken to spur the economy. What is the strategy for reconciling this economic reality with the socialist project?

[Alonso] The existence of a socialist project does not eliminate the need to implement measures that are, at present, an absolute priority. The basic purpose of these measures is to overcome as quickly as possible the

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current shortages in our economy that are affecting basic aspects of survival in our country, including food and basic items.

Nothing that can help meet the current needs of our population is in any way contradictory to our socialist nature, because these are actually measures with a social purpose.

None of the measures taken by Cuba, from the promotion of foreign investment—controlled investment for which the state determines the limits, areas, and conditions—to the establishment of agricultural markets, are intended to return Cuba to capitalism. On the contrary, they aim to preserve the socialist project.

[EL TIEMPO] Don't you think this is dangerous? It is a fact that many people only want to work independently because they can earn as much as 10 times more than with the state.

[Alonso] That may be true, but do we have any alternative right now?

[EL TIEMPO] Many people do not believe that the blockade is having a major effect on Cuba because the island trades with other countries.

[Alonso] Since its inception in 1960, 1961, and 1962, when its legal bases were established, the blockade has always had the same purpose: to starve the Cuban revolution into surrender.

When that blockade started, Cuba's entire infrastructure depended on the United States and the so-called Western world. We had to change all that technology; we had to adapt to new parameters to absorb another technology; and we had to accept a different source of raw materials, credit, and so on.

After the collapse of the socialist bloc in Central and Eastern Europe, we had to face this problem again. But now we are alone, without a rear guard and without the support we had during the first transition.

At the same time, Cuba has to confront very difficult international trading conditions, because we are not just facing the burden of not having bilateral trade with the United States.

The problem is that the latest effort in 1992 to tighten the nuts and bolts of the so-called Torricelli Law, or more precisely, the Cuban Democracy Act, resulted in something that had, in fact, been taking root; that is, U.S. meddling in the trade of third countries with Cuba.

It is not only that Cuba must buy rice in Asia rather than in Louisiana or Arkansas and face the subsequent cost increases. The problem since 1992 is that any country trading with Cuba could see its commercial and financial interests affected with and in the First World power.

All this used to be palliated by the market of the socialist bloc, which disappeared overnight, from a historical standpoint. What is strange and miraculous is that the revolution continues. I cannot imagine what would happen to Colombia if its main trading partner disappeared overnight.

Now the blockade is not the only cause. We have made mistakes. Over the past 34 years, we could have done many of the things that we are doing now, but we did not because we did not need to. Now we are obligated to adopt a number of measures that we would never have taken under normal circumstances and if we were not facing the urgent need of safeguarding our socialist project.

[EL TIEMPO] The economic situation has fostered discontent toward the revolutionary project. Are you aware of this?

[Alonso] I am still convinced that an immense majority in this country does not doubt that the solution proposed as an alternative for us is certainly what they claim. We cannot revert to a state that is politically and economically dependent, a state with hopeless social inequity. That is the alternative offered to us. My generation, the one that experienced the times of Batista, knows how much we have advanced and what we could lose if we return to the past; if we return to a system that we know solves no problems in the country. The people realize that a return to the past is no alternative.

Young People Think Differently

Havana is a bad example because there are problems here that virtually do not exist in the countryside. Bogota does not have the same problems that Pereira does. The situation is shaped by a number of real issues, but also by a number of influences, such as tourism. This has contributed to the creation of a distorted image of what exists abroad, where supposedly anyone can travel to Cuba and spend $2,000. Not everyone in Miami or Colombia can do that.

For each person selling liquor or their bodies along the seawall, you will find 100 or 1,000 Cuban young people who do not. That is something that we find very difficult to swallow. If you could tour Cuba, you would confirm that these problems, which appear to anyone to be blatant and rampant in Havana, are not the rule.

Anniversary of October Socialist Revolution Marked

FL0911191594 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 8 Nov 94

[From the "NTV" newscast]

[FBIS Translated Text] On 7 November we observed the 77th anniversary of the triumph of the October Socialist Revolution. A floral wreath was placed at the tomb of the internationalist Soviet soldier near Havana, in a ceremony marking the event.

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Division General Ramon Pardo Guerra, Revolutionary Armed Forces vice minister; Colonel Nikolay Kolodin, Russian military attache to Cuba; Lieutenant Colonel (Vladimir Vandarseff), chief of the team of Russian specialists working in Cuba; and (Vladimir Kulikov), first secretary of the Ukraine Embassy in Cuba, attended the ceremony. Communist Party of Cuba officials, members of Cuban Institute of Friendship with Peoples, and Russian citizens living in Cuba were also present.

'Our Opinion': Election Shows Lack of Confidence in Clinton

FL0911184994 Havana Radio Rebelde Network in Spanish 1255 GMT 9 Nov 94

["Our Opinion" commentary by unidentified commentator; from the "Doing Radio" program]

[FBIS Translated Text] Many analysts suggested the 8 November elections in the United States would be, to some extent, a referendum on President Clinton's performance. They also believed the results would have an important effect on his political future—meaning his aspirations for reelection. These observers were right indeed.

Yesterday's results, which showed Republicans winning a majority of Senate seats, occupying a larger number of governor's mansions and increasing their presence in Congress, made it clear that the outcome of the referendum is negative. It would be appropriate to mention some of the reasons. It is fitting to recall that neither Republicans nor Democrats in Congress had allowed President Clinton to fulfill his electoral promises, except those which damaged his popularity, such as a raise in taxes. In the same vein, the law which authorized the incorporation of homosexuals to the Armed Forces was boycotted by Sam Nunn, one of Clinton's fellow party members. The health system reform had the staunch opposition of Ernest Hollings, another Democrat. This attitude, of course, fit like a glove for Republicans, who hoped to reduce any chances for success by Clinton's administration. They promoted a just-say-no slogan to oppose any law or reform introduced by Democrats.

The fact that several Democratic congressmen have put obstacles in the path of President Clinton's plans could be an indication that some in power do not approve of the changes sought by the President. On the other hand, this administration could be regarded as part of a transition period in which a renewal of the White House through a relatively weak government would bring voters to believe in the need for a strong leader during the 1996 elections. President Clinton has been called weak, as was former President Carter.

Another issue to consider is Clinton's hesitating nature—his obvious vacillations, and his same-day decision changes. Furthermore, recent foreign policy successes associated with an economic improvement led to an increase of his popularity, but were not enough to change the image which Clinton himself and the press have created.

Additionally, a large number of voters have become annoyed with politicians. They have a low opinion of them, and they no longer believe in the U.S. political system. Obviously, Democrats, who had the majority of congressional seats and government leadership, were the main target of this discontent. The so-called U.S. middle class, which is certainly involved in politics, was angry with President Clinton because of the raise in taxes. Small- and medium-size businesses, for another example, are afraid of the health system reform because it would force them to pay for a large part of their workers' insurance benefits, which would diminish business profits. Hence, these mid-term elections became an instrument for punishing President Clinton and the Democratic Party.

U.S. society is experiencing a growing conservative trend. Accordingly, moral relativism—which questions all ethical and moral principles, and human knowledge—is a fashionable philosophical current nowadays, serving as a foundation for just about anything. A sociologist friend of mine observes that it condones thinking, as well as non-thinking. This explains how Pete Wilson won the election in California, regardless of a reactionary platform which includes a racist law, Proposition 187.

When we add all these elements together, we see that the real chances of success for the Democrats were small. As I mentioned at the beginning, the U.S. elections were a referendum on President Clinton's performance, and he did not make the grade. Now, during the two years left of his mandate, he must govern with a greater disadvantage, facing a revitalized Republican Party in Congress that is willing to demolish him to win back the presidency in 1996.

These have been the most expensive elections in the United States' history. Candidates spent over $530 million on electoral propaganda, and a more conservative Congress comes as a result. We will see how President Clinton manages to weather the storm. It was hard for him to govern with a Democratic majority: it will be harder now with Republicans controlling Congress.

JUVENTUD REBELDE Identifies 3 Kinds of Youths

PA0811194094 Havana PRENSA LATINA in Spanish 2035 GMT 7 Nov 94

[FBIS Translated Text] Havana, 7 Nov (PL)—Cuban youths born after the revolutionary triumph view the social guarantees given by the government as natural rights and not as achievements, according to an analysis published by a weekly of the island.

JUVENTUD REBELDE, official organ of the Union of Young Communists (UJC), published in its most recent

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issue an article titled "The Fourth Generation" in which it describes the characteristics of youths based on their aspirations.

The publication reported that for the fourth generation, which only knows about capitalism from references, the acute class confrontations of the early years of the revolution are distant experiences "or totally unrelated to them."

That population group, which will handle most responsibilities of society in the year 2000, includes "vanguard," "intermediate," and "negative" youths, according to JUVENTUD REBELDE.

"The vanguard youths are characterized by the social orientation of their aspirations, and it is usual for those belonging to this subgroup to believe in the need to be where the revolution needs them," article author Alina Perera Robio added.

In the opinion of the journalist, "the intermediate group has relatively high expectations, a personal orientation, and a pasive atttitude toward solutions and little interest in politics. Its members, even though they might criticize the social apparatus, do not question the revolutionary practice or the principles of socialism."

The weekly dedicated the most space to describing those termed as "negative" for whom foreign well-being is the ideal model, and thus, material consumption is the crowning of their expectations.

"High expectations lead youths of this group to seek satisfaction through means that include theft, prostitution, and marriages of convenience, and they aspire to leave the country to avoid shortages, reflect a lack of interest for their work, and become opportunistic toward the advantages offered by the system," it added.

Although the newspaper does specify figures for each group, it stated that "a majority of the youths must assume the immediate responsibility of understanding that only work will bring us out of the crisis."

The analysis concluded by stating that the country will never become an empire once it starts operating at full speed, but will become a simple Latin American island "for which independence will be its greatest privilege."

Bahamas

Foreign Minister Turnquest Resigns Positions

FL0911211094 Nassau Bahamas Radio Network in English GMT 1800 GMT 9 Nov 94

[Report from the House of Assembly by correspondent Jerome Sawyer]

[FBIS Transcribed Text] The proceedings of the House of Assembly began before a packed gallery this morning. The Deputy Prime Minister, the Attorney General, Minister of Foreign Affairs, and the Member of Parliament for the Montagu Constituency the Honorable Orville Turnquest tendered his resignation before his fellow party members and members of the opposition. Following his much expected and anticipated announcement, Prime Minister the Right Honorable Hubert Ingraham rose and told parliament that Minister Turnquest has undoubtedly demonstrated his talents and abilities in vital national and party offices. He hailed him as a cornerstone to the FNM [Free National Movement], keeping the party together in good times of triumph and defeat, during crisis in leadership and within the ranks and in the constituencies, making him a true sunshine patriot.

The prime minister called Mr. Turnquest a Bahamian of exceptional devotion to this nation and its people. Hinting also to the future of Mr. Turnquest, the prime minister said he will be afforded other opportunities to continue that devotion and that service to his people, interpreted by many to mean that his appointment as governor general is imminent. The prime minister's words were, and I quote: Thank you, thank you, sir, you have done well.

Haiti

Aristide Installs New Prime Minister, Cabinet

FL1011001994 Port-au-Prince Signal FM Radio in French 1130 GMT 9 Nov 94

[FBIS Translated Text] On 8 November, at the National Palace, Haitian President Jean-Bertrand Aristide installed Smarck Michel, as the new prime minister of the Republic of Haiti, and his ministerial cabinet. President Aristide described Michel's appointment as a step toward peace and progress, asserting that the composition of his government reflects the reconciliatory spirit that he is advocating. Both chambers of the Parliament, the Senate and the Chamber of Deputies, gave Michel a vote of confidence. Michel, a 57-year old businessman close to President Aristide and his government, succeeds Former Prime Minister Robert Malval. He is the fourth prime minister to be internationally recognized since the creation of this post, overwhelmingly supported by the population in the 1987 elections.

Swing, Seltz, Paul React to Installation

FL0911235894 Port-au-Prince Signal FM Radio in French 1130 GMT 9 Nov 94

[FBIS Translated Excerpts] In response to Smarck Michel's official installation, U.S. Ambassador to Haiti William Lacy Swing said that the United States is considering doubling its assistance to Haiti.

For his part, French Charge d'Affaires Philippe Seltz announced that a French technical delegation would be visiting Haiti soon, also in response to Smarck Michel's appointment as Prime Minister. He went on to point out that this delegation would bring technical assistance to the country.

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Port-au-Prince Mayor Elect Evans Paul, who participated in the installation ceremony of Prime Minister Smarck Michel and his ministerial cabinet, was very satisfied with the outcome. Correspondent Kenol Dorvil has more details:

[Begin recording, in Creole] [Dorvil] On the morning of 8 November [as heard] new Haitian Prime Minister Smarck Michel officially sat aboard the governmental machine after the two chambers listened his general policy statement. After the installation ceremony, U.S. Ambassador William Lacy Swing said the United States is always ready to support democracy in Haiti where it is now going to double its assistance. [passage omitted]

For his part, the French charge d'affaires in Haiti told a colleague that a technical delegation will be arriving in the country on Wednesday, 9 November to discuss technical aspects of French aid to Haiti. This is what Seltz's had to say:

[Seltz] Well, we continue giving signs that normal cooperation with Haiti has resumed. Approximately 10 days after Cooperation Minister Michel Roussin visit, the France-Haiti Friendship Group must now [words indistinct] of the national assembly, Deputy (Bruno Boulbroc), who has come at the head of an important delegation to establish the resumption of all our relations with Haiti.

I can add that a technical delegation from the French Office of Development and the Ministry of Cooperation will arrive in Port-au-Prince on 9 November to discuss the technical aspects of this assistance in all fields of which Minister Michel Roussin spoke about, in areas such as infrastructure, agriculture, health, judicial, etc.

Mayor Evans Paul said the Haitian situation has taken a new phase in which he urges everybody to put an end to the negative actions, actions that do not contribute towards establishing democracy in Haiti. [passage omitted] [end recording]

Michel Assigns Environment Minister Post to MIDH

FL1011005994 Port-au-Prince Radio Metropole in French 1700 GMT 9 Nov 94

[FBIS Translated Text] Smarck Michel's cabinet took office early this morning. The new cabinet will be completed with the creation of a new portfolio: the portofolio of environmental issues, which will be assigned to the Movement for the Establishment of Democracy in Haiti [MIDH]. The MIDH is now preparing itself to form part of Smarck Michel's government. The ministry without portfolio of environment [as heard] has been offered to Marc Louis Bazin's party, which has accepted the offer. The MIDH must now appoint one of the party's executives to fill the new post. A final decision could be made before the end of the week. Questioned on the matter, MIDH Deputy Antoine Joseph confirmed the news and pointed out the spirit of concord of the new government. Deputy Joseph answered some of Correpondent Edner Jean's questions: [Begin recording] [Joseph] I notice that the most important posts have been filled by the president's men, if I may call them that, meaning the president's friends: those who are close to him. I believe that is not a bad idea. It is fine. I also notice that the secondary posts, if I may call them as such, are being filled by some political sectors not too close to the president or who were his opposition in the past. Thus, one can say that there is a government of concord. Certainly, people are going to think that the participation of the other sectors is symbolic but even if this participation is symbolic it exists, and, in my opinion, it is a good thing for national reconciliation.

You have seen for yourself that there is no opposition in the Parliament today, at the House of Deputies, which is not a good thing. But that is not a problem since the Parliament, the majority of the deputies and two thirds of the Senate, will be changed in the upcoming elections. Thus political life ... [Jean, interrupting] What about the MIDH's position toward this government? We have learned from reliable sources that a portfolio has been reserved for the MIDH. Can you confirm this information?

[Joseph] Yes, it is true. The prime minister contacted the MIDH leadership. I am aware of the steps that are being taken. Meetings have been held at the party headquarters regarding the ministerial post offered to the the MIDH by the prime minister. Some personalities are being considered. We were offered the post of Minister of Environment. Until now, we are in contact with the prime minister because we want the person to be able to fulfill this task not only on the political level but on the technical level as well.

[Jean] In a few days, it will be one month since President Aristide's return. Can you make an assessment on the situation?

[Joseph] It is still too early to make an assessment. Generally speaking, an assessment is made after 100 days of the government. I would prefer to make this assessment after the 100 days. But today, if I can say something, I believe that it has been positive. I believe that if President Aristide continues on this path, he will have the support of the majority of the population and democracy will have a chances to flourish in our country.

[Jean] Thanks you Deputy Joseph. [end recording]

President Aristide Visits Cap-Haitian 9 Nov

FL1011015894 Port-au-Prince Radio Metropole in Creole 2100 GMT 9 Nov 94

[FBIS Translated Text] President Aristide went to Cap-Haitian this morning and, once again, gave a message of reconciliation. President Aristide was accompanied by former Planning Minister Renaud Bernardin and U.S.

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Ambassador William Lacy Swing. Our correspondent, Jean-Claude Larouse has more details:

[Begin recording] [Larouse] Before a crowd of thousands of people in Cap-Haitian, President Jean-Bertrand Aristide once again called for peace, democracy, justice, and reconciliation and for the end of vengeance and violence for the establishment of a new Haiti.

[Aristide] We must struggle for justice, peace, respect, and reconciliation. We cannot have violence or vengeance. We must walk together, hand in hand.

[Larouse] President Aristide stated that his presence in Cap-Haitian on 9 November was to hear the demands of the people in the North and present these demands to the new government's Council of Ministers led by Smarck Michel, which is scheduled be held on 10 November at the National Palace. President Aristide announced the creation of 5,000 new jobs, within the next five days, for the people in the northern region and the distribution of 18,000 kilograms of food for hospitals and nursing homes in the country.

He distributed some school materials in some areas of the city to help parents with the opening of schools.

Furthermore, he announced some projects for the northern region such as the reconstruction of the Henri Christophe Boulevard in Cap-Haitien; repairs on the road linking Cap-Haitien to Fort Liberte with U.S. cooperation; the rebuilding of the bridge in Trou-du-Nord, with French cooperation; and the construction of 500 new public markets in the north, with Chinese cooperation.

President Aristide stated that Smarck Michel's government was a step toward peace, reconciliation, and progress, and asked businessmen to remain calm. He told them that the government was extending its hand to them and he encouraged them to invest in the country in order to create new jobs.

During his visit to Cap-Haitian, President Aristide was accompanied by U.S. Ambassador to Haiti William Lacy Swing, U.S. General Meade, and by Mr. (Doby), the U.S. commander in the north. President Aristide was also accompanied by Mr. Renaud Bernardin, former minister of Planning and External Cooperation, Mr. Henri-Claude Menard, the new information minister, and by Foreign Minister Claudette Werleigh. Bishop Gallot's presence should also be noted.

President Aristide spoke in English to thank U.S. President William Clinton, the U.S. soldiers, and the international community for their contributions in restoring democracy in Haiti. President Aristide spoke for more than 30 minutes.

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Government Reacts to Passage of Proposition 187

PA0911171594 Mexico City NOTIMEX in Spanish 1557 GMT 9 Nov 94

[FBIS Translated Text] Mexico City, 9 Nov (NOTIMEX)—Today, in light of the approval of California Governor Pete Wilson's Proposition 187, the Mexican Government has rejected all forms of open or covert discrimination and xenophobic practices.

The Mexican Government has reiterated its opposition "to all policies or actions aimed at hindering or ignoring rights established by international and inter-American human rights agreements."

In a communique issued by the Presidency of Mexico, the Mexican Government reiterates that it will continue fulfilling its obligation to offer and to give consular protection to all Mexicans abroad.

According to preliminary results of the elections held yesterday in the United States to elect 36 governors, 35 senators, and all of the House of Representatives, Proposition 187, which was being promoted by California Governor Pete Wilson, has been approved.

Mexico remains loyal to its tradition of respect for the principle of nonintervention in the domestic affairs of other countries, but Mexico is equally respectful of international laws that back the fundamental rights of immigrants.

The Mexican Government acknowledges that the proposal does not represent the will of all U.S. citizens nor does it reflect the position of the federal governament of the neighboring country.

Proposition 187 Widely Condemned

PA0911192794 Madrid EFE in Spanish 1640 GMT 9 Nov 94

[FBIS Translated Excerpt] Mexico City, 9 Nov (EFE)—The approval on Tuesday of "Proposition 187," which could limit the rights of undocumented people in California (U.S.), has prompted widespread rejection among political, social, and academic sectors in Mexico.

Ranking Mexican Government officials, political leaders, clergymen, diplomats, and governors of several Mexican states have condemned the measure passed yesterday in California and are demanding the protection of illegal immigrants' human rights.

The law, supported by the Californian electorate, was promoted by California Governor Pete Wilson, who won reelection by defeating his democratic opponent Kathleen Brown in Tuesday's elections.

If this measure is definitively implemented, educational and health services, except emergencies, will be denied to illegal immigrants and their children, even those born on U.S. territory.

At any rate, the law against illegal immigrants will not go into effect immediately because many Hispanic organizations and U.S. human rights organizations have denounced it and complained about its unconstitutionality.

The Mexican presidency today released a communique after being informed that the amendment, which could affect 1 million undocumented Mexicans, had passed. [passage omitted]

Meanwhile, Mexican Episcopate Spokesman Bishop Abelardo Alvarado said that the people had expected a stronger reaction from the Mexican Government against this proposal, which discriminates against undocumented immigrants.

"The damage is already done because the proposal offends the dignity of Mexicans; it is a precedent that will become a part of the tortuous, difficult, and very often aggressive history of the United States and Mexico," said the clergyman, adding that the flow of immigrants will not cease with the approval of the Wilson proposal.

Education Secretary Jose Angel Pescador said that his secretariat is studying the impact the law's approval will have on the Mexican Government.

According to Pescador, steps have been taken to find out how many children will be affected, what proposals Mexico must make, particularly in the border states, and what mechanisms will have to be created.

Various protests have been reported in Mexico as a result of the proposal against undocumented persons, before and after the definitive results of the vote were known.

A group of approximately 40 young members of the self-styled "Revolutionary Antiauthoritarian Youth" [Juventud Antiautoritaria Revolucionaria—JAR] caused damage at a "McDonald's," one of the U.S. chains of restaurants, in the Zona Rosa neighborhood in downtown Mexico City.

The demonstrators painted the restaurant's walls with slogans against the anti-illegal aliens law and called for solidarity with the immigrants.

The youths carried banners with slogans like: "First, they stole our land and now they call us illegals" and "No more xenophobic, sickly, and genocidal racism."

Protests were also staged by civilian organizations such as the Neighborhoods Assembly, the Tenochtitlan People's Union, and the University Student Council, which demonstrated outside the U.S. Embassy and burned a U.S. flag.

Enrique Galvan, a representative for the Dignified Life Revolutionary Union, said that the law is "racist and xenophobic and has no place in a country that claims to defend the human rights of other countries."

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Meanwhile, approximately 2,000 members of the Party of the Democratic Revolution (PRD), the third largest party in the country, staged a demonstration in the city's main streets to demand the proposal's annullment.

Rene Bejarano, PRD leader in Mexico City, proposed that a specific chapter on the rights of immigrants be included in the free trade agreement to guarantee respect for the human rights of Mexicans living in the neighboring country.

Supreme Court Appeal Planned

PA0911230094 Mexico City NOTIMEX in Spanish 2113 GMT 9 Nov 94

[FBIS Translated Excerpt] Mexico City, 9 Nov (NOTIMEX)—Mexico today expressed its opposition to all overt or underhanded means of discriminatory and xenophobic practices, following the approval of Proposition 187 presented by California Governor Pete Wilson.

Mexico remains loyal to its traditional respect for the principle of noninterference in the affairs of other nations, but it remains equally respectful of international law which protects the fundamental rights of migrants, according to a communique issued by the Presidency of the republic. The Government of Mexico reiterated that it is fulfilling and will continue to fulfill its obligations to provide and offer consular protection to all Mexicans abroad. [passage omitted]

In the border town of Tijuana, business leaders, human rights activists, and lawmakers from the states of Baja California and Sonora expressed their opposition to Proposition 187.

Jose Velarde Romero of the Foreign Relations Secretariat in the northern state of Sonora said steps will be taken to prevent the implementation of the initiative, which would limit health and educational services for undocumented aliens living in California. He indicated that the authorities are taking necessary steps to enable expert attorneys to file a lawsuit before the U.S. Supreme Court in an effort to have Proposition 187 declared illegal.

Velarde Romero explained that the 11 Mexican consulates in the United States are working around the clock to prevent emergency medical services from being denied to Mexicans, as well as to prevent students from being forcefully removed from U.S. schools.

Victor Clark Alfaro, director of the Human Rights Training Institute, lamented the passing of this initiative, because "it opens an irreparable sociopolitical breach between the Hispanic community and white Anglo-Saxons." Nevertheless, he added that the proposition must be reviewed "from a more formal perspective," because it was a democratic decision and not an edict. He also said the initiative's repeal must be viewed cautiously.

In Hermosillo, National Action Party (PAN) federal legislators expressed their opposition to the approval of Proposition 187, "because it is very negative" and will adversely affect all illegal aliens from any country.

Federal Legislator Francisco Limon Tapia argued that Proposition 187 "represents an outrage for illegal aliens from any country who reside in the state of California." He also stressed that the initiative will threaten people who are illegally residing in the United States, most of whom are peasants and poor people who already face all kinds of discrimination.

Armando Araujo Montano, vice president of the Confederation of the National Chambers of Commerce, said the approval of Proposition 187 is an internal decision of the state of California, but he added, "Mexicans must ensure that their human rights are respected." He went on to say that the problem of the flow of Mexican migrants to the United States will be resolved only when Mexico's economic situation improves and more jobs are generated.

In Nogales, Mayor Abraham Zaid Daddoub denounced the approval of the anti-immigrant proposal, because "it sponsors hatred and racism against all Mexicans, whether they are living legally or illegally in the neighboring country." He concluded, "The pro-human rights groups in the United States have a responsibility to combat this proposition, because it is a disgrace not only for California and our neighbor to the north, but for all humankind."

Zedillo To Meet With Clinton

PA1011012394 Mexico City NOTIMEX in Spanish 2152 GMT 9 Nov 94

[Report by Miguel Angel Lopez]

[FBIS Translated Text] Mexico City, 9 Nov (NOTIMEX)—Mexican President-Elect Ernesto Zedillo will start an extensive diplomatic offensive next week to bolster the international prestige of his new government and to reinforce Mexico's celebrated foreign policy.

Zedillo, a 48-year-old economist who was officially declared the winner of the 21 August elections by Congress today, will conduct a number of official visits to Central America, the United States, and Canada starting on 18 November. The main objectives of his tour are geared toward achieving a joint regional position at the Summit of the Americas, bolstering Mexico's international presence, and giving continuity to the commercial agreements established by the outgoing Mexican administration.

In addition to consolidating relations with the countries in Central and North America prior to his swearing-in ceremony, which is scheduled for 1 December, Zedillo's trip will allow him to present the future government's foreign policy priorities and plans. His tour—the detailed agenda of the tour is still being withheld—will

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begin in Belize and continue in Honduras, El Salvador, and Costa Rica, where he will discuss these nations' positions on the upcoming Summit of the Americas to be held in Miami next month.

The new Mexican president will have, in this way, an initial contact with Central American countries, and this will give continuity to the agreements Mexico is currently negotiating in the region. These agreements center on the premise that regional commercial opening will be a primary objective in the coming years. Spokesmen for the ruling Institutional Revolutionary Party (PRI) report that Zedillo's tour also will include quick stopovers in Nicaragua, Panama, and Guatemala that will last only a few hours each.

According to PRI sources, Zedillo is willing to work with the Central American governments to study the possibility that Mexico become their main liaison in their efforts to join North America in a continent-wide free trade agreement. During his election campaign, Zedillo said his work with Latin America and the Caribbean would focus on two things: the strengthening of mechanisms for consultation and political agreement, and contributing to the creation of a hemispheric free trade zone. Zedillo will assume power on 1 December and will govern until 30 November 2000, according to terms established by Mexico's Constitution.

During his working tour of Central America, and prior to meetings with U.S. President William Clinton and Canadian Prime Minister Jean Chretien, Mexico will stress that its ties with this region will be a hallmark of its foreign policy in the coming years. PRI sources indicated that it will not be until 23 November—seven days before he is sworn in as the new Mexican president—before Zedillo meets with Clinton in Washington and with Chretien one day before that. The visit to the United States will seek to consolidate the relations that Zedillo will maintain over the next six years with Mexico's main trade partner—a partner to which, along with Canada, it has been linked through NAFTA since 1 January.

Zedillo has pointed out that relations between Mexico and the United States are a priority "not only because of our geographic proximity, but also because of the dynamism of contacts and exchanges generated by the people of the two countries."

Although the topics that will be discussed during the Zedillo-Clinton meeting are still a secret, it is expected that one of the most important issues will be the anti-immigration Proposition 187, which was approved by California voters on 8 November. Another Zedillo goal during his meeting with Clinton will be to find a diplomatic solution to Proposition 187 which, if applied by the U.S. Congress [as received], would cut medical and educational services for illegal immigrants from Mexico and Central America. Zedillo also will seek to establish the necessary mechanisms to ensure that Proposition 187 does not extend to other U.S. states and that it will have a minimum effect on relations between the two countries.

During his stay in Washington, Zedillo will outline his position on NAFTA, the presidential summit in Miami, and the way to bring the rest of Latin America into a continental trade agreement.

Zedillo long ago reaffirmed that his foreign policy will center on strengthening Mexican sovereignty, its relations with the United States and Canada, integration with Latin America, and the diversification of international relations. In this regard, the new Mexican president will promote the strengthening of multilateral organizations, intensification of the struggle against drug trafficking, and the consolidation of a comprehensive approach to Mexico's foreign policy.

Zedillo is trying to complete his government team only 21 days before his inauguration. There is great expectation over who will be chosen foreign secretary—one of the most important posts of his cabinet. There also is keen interest to know who will occupy other strategic posts, such as the secretaries of defense, government (interior), finance, commerce, social development, agriculture, communications, and transportation.

Congress, Regional Envoys Decry Proposition

PA1011035194 Mexico City NOTIMEX in Spanish 0216 GMT 10 Nov 94

[FBIS Translated Text] Mexico City, 9 Nov (NOTIMEX)—Proposition 187, approved Tuesday in California, adversely affects the rights of all Mexican and Central American workers in that state, foreign diplomats in Mexico warned today. The diplomats, who joined the general repudiation prompted by the initiative, said the measure may bring about serious consequences if it is not corrected by the U.S. Government in a timely manner.

Cuban Ambassador to Mexico Abelardo Curbelo said the approval of Proposition 187 by Californian voters is "a regrettable event, sad and irrational, because it affects and undermines the rights of Mexicans and Central Americans who arrive in this state."

While attending ExpoCuba '94 in this capital, the diplomat said serious risks will arise when the anti-immigrant Proposition 187 is implemented. This initiative was approved Tuesday by the California electorate.

Curbelo added: "Proposition 187 entails actions that could filter into the realm of national policy. Moreover, it is a decision affecting the rights of undocumented aliens from all over the continent who arrive in that nation."

On Tuesday, California voters approved in a referendum the anti- immigrant Proposition 187, which was sponsored by Governor Pete Wilson and which advocates a ban on all medical and educational services for illegal aliens living in the state.

Peruvian Ambassador to Mexico Alberto Casorna noted that the aforesaid proposition runs counter to the U.S.

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Constitution, and, therefore, "I am confident it will not be implemented." The acceptance of the initiative by California voters "is a victory of a racist Republican position and sets a bad precedent," the Peruvian envoy added.

Sergio Fumero Monje, Costa Rican ambassador in this capital, told NOTIMEX that the approval of Proposition 187 was something "unexpected and disparaging," something that harms not only the rights of Mexicans, but the rights of all Latins.

"It is not only the Mexican-U.S. border, but the border of all of Latin America, because that is the gateway for thousands of Latins," Fumero Monje asserted. He added, "Therefore, the defense of the rights of Mexicans is the defense of the rights of all Latins."

Speaking at his diplomatic mission, Nicaraguan Ambassador to Mexico Ernesto Fonseca said he was not surprised by the partial victory of Proposition 187, but he argued, "it is virtually impossible that it will be upheld by the U.S. Supreme Court." He added that despite the fact that the initiative appears to be aimed at Mexican undocumented aliens, "it affects all Latin Americans equally."

Legislators from all parties comprising the Chamber of Deputies today issued a communique expressing their rejection of the approval of Proposition 187, which they termed xenophobic for violating the rights of fellow Mexicans. In the document, the lawmakers expressed their solidarity with the struggle initiated by fellow Mexicans in the United States to fight this proposition, demanding respect for the legitimate rights of Mexicans.

Rodolfo Elizondo Torres, deputy for the conservative National Action Party [PAN]—the second largest party in the country—affirmed that this week Mexican lawmakers will open consultations with those adversely affected by the anti-immigrant law. The PAN legislative wing asked the Government of Mexico to appeal before legal international bodies, such as the United Nations and the OAS, to denounce this measure.

The lawmakers also asked the Mexican Government to urge the population to avoid acts of violence in retaliation for the approval of Proposition 187 and, in turn, avoid situations similar to the one that occurred yesterday, when a McDonald's restaurant was ransacked in this capital.

Relations between Mexico and the United States must be conducted in a good-neighborly atmosphere, because under the economic project supported by NAFTA, "xenophobia and racism will not bring about any positive results," they stressed.

The Senate called for a "more aggressive" policy from the Mexican Government in favor of our fellow citizens residing in the United States, and it asked the Mexican Foreign Relations Secretariat to draft a protest in favor of our fellow citizens.

Meanwhile, governors, political leaders, peasants, and business leaders from across the country rejected the possible application of Proposition 187, because, if this does happen, a struggle will be waged until it is repealed.

Maximiliano Silerio Esparza, governor of the northern state of Durango, lamented the approval of the proposition and said that now a struggle must be waged to repeal or ease this initiative, thereby preventing violations against the rights of Mexicans.

The private sector in the northern state of Nuevo Leon called the measure "inhumane, antidemocratic, and extremely racist," adding it will affect relations between the two countries in a "useless and gratuitous" manner.

Chiapas Mediator Discusses New Dialogue Initiative

PA0911172094 Mexico City LA JORNADA in Spanish 7 Nov 94 p 19

[Report by Elio Henriquez from San Cristobal de las Casas, Chiapas—passages within italics as published]

[FBIS Translated Text] San Cristobal de las Casas, Chiapas, 6 Nov—The Federal Government and the Zapatist National Liberation Army (EZLN) both "favorably" view the *Initiative for a New Dialogue* proposed on 13 October by Chiapas mediator Samuel Ruiz Garcia, who indicated that "this is the road that must be taken; the proposal's contents are truly objective."

In a brief interview following his sermon at 1900 at San Cristobal Cathedral, Bishop Samuel Ruiz said these signs "of understanding from both sides provide us with certain opportunities to begin preparations for future activities" that will allow the resumption of the dialogue.

The priest announced that on 9 November all members of the National Mediation Commission (Conai), which yesterday met with Government Commissioner Jorge Madrazo Cuellar, will meet in Mexico City to continue the planning.

"There are a serious of preliminary contacts that will help give us a quick review of the true situation and establish the necessary contacts to open the way to meet and prepare for the mayoral dialogues that must take place," the bishop said.

On the topic of the "schedule of immediate steps in favor of peace"—a schedule which yesterday was agreed upon at the meeting between Conai and Madrazo Cuellar—Ruiz Garcia said, "special contacts are taking place, but obviously these cannot be disclosed until everything is pulled together to enable us to come up with an analysis of what is being done." We consider these contacts "to be essential," he stressed.

He explained that in yesterday's meeting, participants drafted a "general scheme of how events should unfold in order to come up with a more or less common point of reference."

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Ruiz Garcia added that in the meeting held the previous day, the participants devised a hypothetical starting point, which "when it is simplified—soon, perhaps within a couple of days—it will be shared."

We asked the bishop: Has work already begun on the *Initiative for a New Dialogue* you presented on 13 October?

Ruiz Garcia responded by saying: Considering that the EZLN has already shown an understanding—also, there was a significant gesture, which must be interpreted that way, by the commissioner who came to visit us yesterday, not to mention the fact that significant initial contacts have already been made—these signs provide us with certain opportunities to begin preparing future activities, and this is the idea behind the scheduling of activities.

The bishop explained that, although several internal meetings have been held, Conai has not yet been formally established, only summoned. Yesterday, a meeting was held with the government representative. "There is still no Conai activity as such, because it still has to be formally established, and we hope the government and the EZLN reply soon," he said.

Last, the mediator noted that tomorrow in Tuxtla Gutierrez he will deliver a speech on the psychological impact the EZLN and related events have had on the state and on the country.

PRI Drafts Assessment of Elections

PA0911165694 Mexico City LA JORNADA in Spanish 7 Nov 94 pp 1, 9

[Report by Oscar Camacho and Mireya Cuellar]

[FBIS Translated Text] The PRI's [Institutional Revolutionary Party] legislative faction yesterday attempted to take Congress by surprise in an effort to push through its summation of the elections. It unilaterally presented a draft report which was drawn up outside of Government Commission protocol and constitutional guidelines. The report states, "the 21 August presidential elections were valid and legitimate," and it proclaims "Ernesto Zedillo de Leon constitutional president" with "50.5 percent of the valid votes."

The draft report, which is divided into four chapters, makes no reference to any irregularities in the electoral process and devotes only four of its 66 total pages to the official installation, management, and closing of the polling stations. The rest of the text is a report, according to PRI members, on the progress made during the electoral process.

Nevertheless, the text sums up what is considered the "most interesting proposals" presented by the citizen advisers to improve the electoral process. Among these is the acceptability of reviewing the Cofipe [Federal Code of Electoral Institutes and Procedures] by way of an "overall political reform" to establish more equitable conditions for political competition in light of the "inequalities" observed during the most recent electoral process.

Without presenting their own observations on the citizen advisers, PRI members have included in the document the view that "there are still some irregularities that, without influencing in a predetermined manner future electoral results, it is necessary to prevent their recurrence in subsequent elections."

Among PRI members, it was noted that these indirect acknowledgements of electoral problems were signs of a "tacit offer" to the opposition for subsequent electoral reform and were to serve as a bargaining chip to encourage support for the ruling party.

The PRI's intentions last night were to transform the draft report into an official ruling behind the backs of PAN [National Action party], PRD [Party of the Democratic Revolution], and PT [Labor Party] legislators. Nevertheless, they were exposed just as Dionisio Perez Jacome was passing the document onto one of his fellow party members to sign it following the withdrawal of opposition deputies from the Government Commission.

A slip by Perez Jacome, who had informed the press that the Government Commission would not be reconvened and that the text would be presented to the plenum the following day, prompted PRD Deputies Juan Guerra, Leonel Godoy, and Mauro Gonzalez Luna to return and ask for an explanation on why they had been told the commission would indeed reconvene the following day.

When the PRD deputies entered the room where the Government Commission was meeting, they caught Dionisio Perez Jacome passing the document around for other PRI legislators to sign.

When Juan Guerra argued that a document that has not been subjected to a vote is invalid, Perez Jacome replied: "The signatures of a majority suffice to make it a commission report, and it should therefore be presented in the present form to the plenum...."

Those are crude manners; tell Moctezuma (Esteban) that it seems he has only learned crude manners, Leonel Godoy told Perez Jacome, who merely smiled in return.

As they were about to walk downstairs of the building in which they had been meeting since 3 November, the PRD legislators ran into Deputy Rosario Guerra and Fructuoso Lopez Cardenas, who after learning about the error made by the chairman of the Government Committee, urged them to stay, and he promised that there would be another meeting to comply with protocol.

Minutes later, Perez Jacome, who looked like he had been "reprimanded," was taken to the offices of the Grand Committee by Rosario Guerra and Fructuoso Lopez Cardenas. This meeting produced a notification

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to the opposition that the Government Committee would meet again at 2230 hours.

Once the meeting began again, PRD lawmaker Jesus Ortega and PAN lawmaker Antonio Garcia Villa protested the procedure the PRI tried to use. Perez Jacome had to take one step back when the opposition quoted Article 56 of the Basic Law, which states that all rulings must be voted on within a committee, as a simple signature does not indicate how a person voted.

In light of these arguments and given the possible consequences of this sudden proposal, the PRI legislators summoned the Government Committee to meet on Monday to vote on the proposal. Furthermore, they were forced to downgrade what they considered "a ruling" to a "draft text."

The document will be submitted to the plenary meeting of the Chamber of Deputies, currently convened as the Electoral College, for a first reading. It is expected that the PRI will vote in favor of the document, while the PRD will reject it and request the annulment of the presidential election. As of yesterday, the PAN and PT had not yet disclosed their official position on the issue.

The document was drafted overlooking all standard legislative procedures. A subcommittee was never appointed at the Government Committee to draw up the text and it is still uncertain if the text was even written in the Chamber of Deputies.

While Dionisio Perez Jacome was holding a news conference at 2200 hours, announcing that the document had already been handed to the opposition, PRI representative Fructuoso Lopez Cardenas arrived at the offices of the PRD to hand Jesus Ortega the text.

On Saturday evening, the PRI legislative bench advised the opposition at the Congress that it would be delivering a draft ruling sometime on Sunday for "study and discussion."

This immediately led PRD legislators to question the procedure the PRI had announced. According to regulations, a subcommittee should be appointed to draft the text. They pointed out the need to take note of all irregular procedures when drawing up the final document.

The Government Committee met yesterday morning, and, after rejecting several proposals presented by the opposition, told PAN, PRD, and PT legislators that the committee will call a 14 to 18-hour recess. Without even a blink, Government Committee Chairman Dionisio Perez Jacome said that at 1800 hours, he would provide them with a draft ruling.

It was not at 1800 hours. Instead, it was at 2130 hours, when the committee meeting resumed. It lasted 30 minutes and at 2200 hours, Perez Jacome called a news conference during which he announced that the document has already been handed to the opposition.

The reactions were quick to follow: the anger of the PRD legislators, the reproach against Perez Jacome, and a new negotiation.

The ruling's single decree:

"Article: The election for president of the United Mexican States, which took place on 21 August 1994, is hereby declared valid and legitimate.

"The legitimate victory of citizen Ernesto Zedillo Ponce de Leon is established, having received 17,164,042 votes, which are equivalent to 50.15 percent of the total valid ballots cast across the country on 21 August 1994.

"Citizen Ernesto Zedillo Ponce de Leon is hereby declared president of the United Mexican States for the term beginning 1 December 1994 and ending on 30 November 2000. He, in accordance with Article 87 of the Constitution, will take his oath of office before the National Congress on 1 December 1994."

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El Salvador

Government Rejects Anti-Immigrant Proposition 187

PA1011001094 Mexico City NOTIMEX in Spanish 2302 GMT 9 Nov 94

[FBIS Translated Excerpt] San Salvador, 9 Nov (NOTIMEX)—Official sources are reporting that the Salvadoran Government and the Supreme Court of Justice (CSJ) today rejected Proposition 187, which would suspend social services to all illegal aliens in the U.S. state of California.

Salvadoran Vice President Enrique Borgo Bustamante told the media that the proposal's approval in Tuesday's referendum "reflected the poor grade President (William) Clinton's administration is getting." [passage omitted]

Borgo Bustamante also said the Salvadoran Government will take the necessary steps to prevent Salvadorans living in California from being deported or from emigrating to other U.S. states because of the resolution.

CSJ Magistrate Mario Solano said Proposition 187 is "unfair and violates the individual's rights." The magistrate told NOTIMEX: "We believe the mere fact that people will be left without medical or educational services constitutes a violation of every human right." Solana recalled that Proposition 187 "is a reflection of a political position" adopted by the Republican Party "to which former Presidents Ronald Reagan and George Bush are members."

Former Salvadoran Foreign Minister Ricardo Acevedo Peralta pointed out that the resolution is "unfair, and we cannot believe that people in a country such as the United States can be thinking like this." He stressed that illegal aliens "are in the United States because the situation in Latin America is serious; still, I do not believe the American people should be blamed for this."

The former foreign minister stressed that the California state government "should view the situation with more humane, depolitiziced, and thoughtful criteria. I do not agree with the decision adopted by the California government, which, by the way, will cause all sorts of problems in the United States."

In a telephone call to a local television station, Gerardo Sol Mixco, Salvadoran consul in Los Angeles, urged relatives of all illegal aliens to remain calm.

"We would like to ask the Salvadoran community over there (in El Salvador) to remain calm," the diplomat said, and he assured that several social organizations in the United States would file "a torrent" of lawsuits against the initiative. He added that even the supporters of the proposition "do not expect a genuine victory." [passage omitted]

President on Steps To Fight Proposition

PA1011021594 Panama City ACAN in Spanish 2344 GMT 9 Nov 94

[FBIS Translated Text] San Salvador, 9 Nov (ACAN-EFE)—Salvadoran President Armando Calderon Sol today said he is "very concerned" over the reelection of California Governor Pete Wilson, whom he asked to reflect "seriously and profoundly" on "Proposition 187," which harms illegal immigrants.

The Salvadoran president told the press he hopes "Proposition 187" does not go into force, because, "we believe that discriminating against immigrants, thereby cutting off their basic and essential health and educational services, represents an affront to human rights."

He added that Wilson's position "is inconceivable in the United States, which has distinguished itself in the defense of humanity and human dignity, and which has distinguished itself by being at the forefront of the liberty and defense of all individual and collective rights."

In this regard, Calderon Sol stated, "we ask Governor Pete Wilson to reflect seriously and profoundly" on his initiative, and he urged the U.S. Supreme Court to strike down the proposal.

Calderon Sol also asked undocumented aliens in the United States, particularly Salvadorans, not to respond violently to the imposition of the measures, because this will not help resolve the problems.

Calderon Sol said: "As head of state and as a Salvadoran citizen, I urge you to condemn violence, which, thank God, we have overcome in El Salvador through our efforts to attain peace. It is impossible to resolve problems through senseless violence."

When questioned on the steps taken by his government to seek the extension of temporary residence permits for approximately 187,000 Salvadorans living in the United States—the permits are slated to expire in December—Calderon Sol explained he has sent a letter to President Clinton to address this issue.

The Salvadoran president concluded: "We have taken steps at every level to facilitate this extension. I hope our request will be considered. We are consolidating peace and democracy in the country, and soon we hope to be able to say to our compatriots that this land is awaiting them and that it belongs to all."

Guatemala

Government Rejects 'Xenophobic' Proposition 187

PA0911193594 Mexico City NOTIMEX in Spanish 1754 GMT 9 Nov 94

[FBIS Translated Text] Guatemala City, 9 Nov (NOTIMEX)—Guatemala today urged U.S. President

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William Clinton to "stand firm against anti-immigrant Proposition 187," proposed by reelected California Governor Pete Wilson.

Foreign Relations Minister Maritza Ruiz de Vielman, praised the fact that Clinton rejected Proposition 187, which was approved yesterday in a referendum in conjunction with elections for governor and congressman in several states, and suggested to the U.S. President and justice organizations to reject the initiative.

The foreign relations minister described the proposal as "xenophobic" and "intended to discriminate against those who have placed their hope for improvement in that nation."

President Ramiro de Leon Carpio said last week that the polemical initiative is contrary to the precepts of respect to human rights that the United States so much defends.

De Leon also said that all the Central American presidents reject the initiative proposed by Wilson during his political campaign.

The proposal, which seeks to exclude health and public education benefits to the children of illegal immigrants born in the United States, would harm thousands of Guatemalans who have settled in Los Angeles.

Every year, Guatemala receives over $200 million from remittances by Guatemalans in the United States. This sum is only surpassed by income from coffee exports and tourism.

New Disturbances Erupt in 'Transportation Crisis'

PA1011003294 Hamburg DPA in Spanish 2235 GMT 9 Nov 94

[FBIS Translated Excerpt] Guatemala City, 9 Nov (DPA)—New disturbances related to the urban transportation crisis erupted here today as youth gangs used stones and sticks to attack several buses, breaking their windows, as well as the windows of a number of shops. The violence occurred in the capital's downtown area, where normal traffic was interrupted by barricades of burning tires.

The hooligans fled following the arrival of a riot police, who reportedly arrested several youths after catching them red-handed. [passage omitted]

Meanwhile, Guatemala City Mayor Oscar Berger announced the central government would help create a municipal public transportation company that will reportedly begin operating in the next few days with some 150 buses. This new company will charge lower fares authorized before the crisis erupted. Nevertheless, it is believed that this company will not resolve the problem, because it will be incapable of meeting the demands of the citizens of Guatemala City.

Before the crisis, there were some 3,000 buses and unauthorized minibuses circulating in the capital. Currently, residents in this capital are using the few buses that are still operating, or riding in the backs of trucks or pick-ups, using bycicles, and walking to get to work and other places.

[Mexico City NOTIMEX in Spanish at 2328 GMT on 9 November transmits a similar 300-word, Guatemala City-datelined report that cites Government Minister Danilo Parrinello announcing that, if acts of vandalism continue, "the Army will take to the streets to assist police."]

Nicaragua

Foreign Ministry Rejects Proposition 187

PA0911212494 Mexico City NOTIMEX in Spanish 1857 GMT 9 Nov 94

[FBIS Translated Text] Managua, 9 Nov (NOTIMEX)—Foreign Minister Ernesto Leal today said the Nicaraguan Government rejects the anti-immigrant Proposition 187 because it violates the human rights of Nicaraguans and Latin Americans residing in California.

According to a Foreign Affairs Ministry statement: "We believe this is not the way to resolve the immigration problem. There are other ways, such as strengthening the democracies in Latin America."

According to preliminary results, the iniative, which bans health and educational services for illegal immigrants, was passed Tuesday by California voters in a referendum held along with legislative elections.

Leal identified other means of resolving U.S. immigration problems, such as cooperation to spur the economic development "of our peoples and countries." The foreign minister said he hoped Proposition 187 would not go into effect and instead be terminated because of its contradictory aspects, which he did not detail.

Foreign Ministry sources estimated that about 180,000 Nicaraguans live in California, of which at least 50,000 are undocumented.

BARRICADA Editor, Deputy Director Announced

PA0911171694 Managua BARRICADA in Spanish 4 Nov 94 pp 1, 10

[FBIS Translated Text] Tomas Borge, president of the board of directors of BARRICADA, announced that Julio Lopez Campos is the paper's new deputy director and commentary writer William Grigsby Vado is the new editor.

Both are prominent members of the so-called Democratic Left, which dominates FSLN [Sandinist National Liberation Front] structures. They advocated changes to BARRICADA's editorial policy and management during an extraordinary session of the FSLN congress.

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The appointments of Lopez and Grigsby add to Jose Reyes and Borge's legal confirmation, which completes the BARRICADA management team now headed by Lumberto Campbell.

Other appointments mentioned by Commander Borge were Rodolfo Solis as new editor of the economy section and Allan Hernandez as a member of the main editorial staff.

The arrivals of Lopez and Grigsby did not surprise BARRICADA workers. They were known to be candidates ever sisnce Carlos Fernando Chamorro was dismissed.

Lopez, a former university professor and a law graduate from the University of Lausanne, Switzerland, was BARRICADA director for a short period at the beginning of the past decade. Afterward, he served during a long period of time in the FSLN's International Relations Department, better known as DRI.

Grigsby Vado, who is a former student of journalism, served during the past decade as an official in the Agitation and Propaganda Department, DAP, and was editor in EL NUEVO DIARIO, until the FSLN withdrew his political membership after he published reportage disliked by the top Sandinist leadership.

From then on, Grigsby Vado, also known as El Chele [blond] Grigsby, sought refuge in the radio station La Primerisima, from where he has criticized the government, General Humberto Ortega, and Commander Henry Ruiz, whom he once admired.

Commentaries View Impending FSLN Split

95P20127A

[FBIS Editorial Report] In the wake of the 17 October decision by the Masaya faction of the Sandinist Renewal Movement to cut its ties with the Sandinist National Liberation Front (FSLN), commentaries published in the Sandinist Managua daily EL NUEVO DIARIO blamed the current leadership of the FSLN for the impending party split, and called for a change in its "status quoll mentality.

Reacting to the decision by the Masaya faction to leave the FSLN (for related reporting see FBIS-LAT-94-204), commentator Francisco Bravo Lacayo called it a sign that the Renewal Movement will form a new party separate from the FSLN and suggested that the rupture stemmed from the "intransigent" policy of the Sandinist leadership (EL NUEVO DIARIO, 18 Oct). He said that it does no good for FSLN Secretary General Daniel Ortega to ignore the inevitable by preaching party unity and simply repeating "there is no split." Bravo Lacayo called Ortega's challenge to disgruntled members "to leave if they want" as "foolish" because in doing so he is closing his eyes not only to the needs of Sandinists but of all Nicaraguans. He hinted that the FSLN's problems are more economic than political, suggesting that what is truly at stake is who will manage the party's patrimony and in what manner, "whether for personal gain or for the benefit of the common good." He concluded, however, that although a split is "in sight," it is not too late for the differing sides to come to an agreement.

Commentator Manuel Martinez contended that if the FSLN continues to exclude differences of opinion, a large number of militants and rank-and-file members will leave the party (EL NUEVO DIARIO 18 Oct). He cited examples of dissatisfaction in Managua, Mateare, and Granada where, according to him, members have boycotted elections or militants have decided to resign because of restraints on expressing dissent. Martinez predicted that the persistence of an "inflexible" policy on the part of the FSLN's National Directorate "will facilitate the [party's] destruction."

Francisco Bravo Lacayo rejected criticism by FSLN National Directorate member Bayardo Arce, who said that EL NUEVO DIARIO has been publishing "constant attacks against leaders of the Sandinist Front" (EL NUEVO DIARIO 20 Oct). Bravo Lacayo defended the newspaper's right "to criticize negative aspects and errors made in the last decade as well as [to call for] renewal of the structures, changing of the guard, and democratization of the style and form in conducting party affairs." He warned that the FSLN may no longer be able to call itself "the majority and the best" if it does not take into account the political costs of its "mistakes." The Front's biggest mistake, he said, is to believe it remains as "indispensable" as it had been in the past, because times have changed and the party is becoming "obsolete." He called for a peaceful, open dialogue to resolve differences.

Panama

Validity of U.S. Police Aid Agreement Reviewed

PA1011041594 Panama City Circuito RPC Television in Spanish 2300 GMT 9 Nov 94

[Report by Marcos Castillo; from the "RPC Television News" newscast]

[FBIS Translated Text] The current Panamanian Government is uncomfortable with an agreement signed by the U.S. Justice Department and the Panamanian Government and Justice Ministry in December 1990, because Washington has been pressuring for Panama's compliance, but the agreement has never been ratified by the proper Panamanian Government offices.

[Begin Government Minister Raul Montenegro recording] According to what I learned yesterday afternoon and today, the agreement was never approved by the Cabinet Council at that time or ratified by the Legislative Assembly. The agreement covers various government branches, such as the Attorney General's Office and Government and Justice Ministry. [end recording]

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Although the agreement was not approved, both the previous and current governments have held periodic meetings with their U.S. counterparts as established under the terms of the agreement. The agreement's future, however, is currently being reviewed to decide whether the accord is to be continued or suspended.

[Begin Montenegro recording] We are going to send this document to the pertinent government offices to assess the significance of the agreement for the Republic of Panama, as well as to establish its validity. [end recording]

The agreement provides U.S. aid for police-related matters, and, under the terms of the agreement, Panama is required to report to the United States on how the aid is used.

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Argentina

Paper Views Drug Trafficking in Patagonian Region

PY0911161094 Buenos Aires TELAM in Spanish 2338 GMT 8 Nov 94

[FBIS Translated Text] Buenos Aires, 8 Nov (TELAM)—A journalistic investigation revealed here today that a total of 5 kg of high quality cocaine enters the city every month and is distributed mostly among young consumers.

The local newspaper EL PATAGONICO today published an extensive special report based on court files, indicating that the main distribution points in the Austral region are Puerto Madryn, Comodoro Rivadavia, Rio Grande, and Ushuaia.

The report says that the drugs consumed in the city and in the rest of the southern Patagonian region come from Santa Cruz (Bolivia) after a stopover in Salta Province, from where it is redistributed to other regions.

The report says that the narcotics entering Puerto Deseado come from Comodoro Rivadavia, which shows that there is a sort of "subregionalization" in the drug trafficking market.

The report also says that local federal agents "reinforce their surveillance from the end of November through mid-March" [school vacation period] because "this is the season when students return to the region, carrying with them 100 to 200 grams of marijuana."

"This permits them to have between 200 to 400 minimum doses with which 'to spend' their vacations in the area," the newspaper says.

The report says that Comodoro Rivadavia "receives 5 kg of high quality cocaine per month, out of which 4 kg is distributed among consumers of 18 years of age or more, and the rest is sent to Puerto Deseado (Santa Cruz)."

The newspaper says that in that city "only a small number of individuals are addicted to the drugs, which come in by plane and are directed to a select group of people."

The drugs come into the region "in packages worth between 13,000 and 15,000 pesos," adding that Patagonian region consumers "pay between 25 and 35 pesos for each cocaine gram."

The report explains that in the city "there are two groups of drug consumers; one group involves youngsters between 13 and 17 years of age with money to spend because of their social condition."

"The second group is comprised of individuals 18 years of age or older. These people use cocaine. There is no specific social 'class' affected," the report says.

The newspaper says that "3 percent of Comodoro Rivadavia's population (starting at 13 years of age) are addicted to drugs, without counting (statistics do not handle these cases) youngsters and adults who consume psychotropic substances."

Cavallo's Emergency Strategies Discussed

95SM0048B Buenos Aires CLARIN in Spanish 30 Oct 94 pp 6-7 (economic supplement)

[Article by Marcelo Bonelli: "Secret History of a Negotiation"]

[FBIS Translated Excerpt] "Didn't the new pensions law solve all the problems?" he asked in an angry, ill-tempered tone of voice. He had just returned from a long overseas trip and was holding a meeting with his closest colleagues on the evening of Thursday 13 October. And he could not believe the bad news.

"The social-security deficit grew by $300 million in September!" Domingo Cavallo exclaimed. But then his astonishment turned to worry. The social security secretary, Walter Schulthess, muttered: "The red ink is not just in September. This is going to continue until year end. And it could get worse in 1995 if the adverse rulings continue."

The minister did not hesitate a single second. Acting on impulse, he met with Carlos Menem that very evening. At Olivos he explained in harsh, dramatic terms how the unexpected social-security deficit was compounded by the overall deficit and how the two could be described as explosively dangerous for the health-care plan and as a threat to the president's reelection plans.

"Domingo, we can't take chances. We are in a pre-campaign phase. Let's solve the problem as soon as possible," the president said, giving his blessing to his minister's plans. Cavallo took it upon himself to begin the public debate. He accused judges, blamed lawyers, and warned lawmakers. Secretary Eduardo Bauza and Minister Carlos Ruckauf used the time to come up with another interpretation.

As far as the political wing of the Menem faction is concerned, the minister came out swinging on the issue in an attempt to achieve several objectives at once: first, to position himself properly so that he can discuss spheres of power after the elections and enter the race for the post of minister coordinator, and second, to pave the way for a scenario that will justify the fiscal belt-tightening that the current deficit in the convertibility plan seems to demand.

At 10 in the morning on Tuesday the 18th there was a summit meeting among all of the secretaries in the Economy Ministry. During it Schulthess was reprimanded harshly by Cavallo. Just minutes before, the minister had received a report from the Social Security Legal Secretariat. In it, Horacio Liendo was categorical: the legal architecture that the Social Security Secretariat

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had developed for the new pension system was deficient "because it left thousands of judicial uncertainties and loopholes that judges are using to rule against the State."

"Repeal of all the laws of the previous social-security system has been left vague, especially the privilege systems," the attorney for the Finance Secretariat asserted.

The report prompted a reaction from Schulthess, and a harsh exchange with Liendo. But Cavallo did not just listen to the argument; he called for solutions. A proposal to hike the VAT by two points was made. A possible social-security moratorium was mentioned. But all of these suggestions were left hanging, because the conclusion was that the severe deficit required major use of the scalpel. The budget problem had actually begun in June with the rise in spending and the leveling off of revenues.

Cavallo noticed the deficit a few months ago but hoped to make it to 14 May without having to take extreme measures. He did not want to apply the tourniquet until the vote count was over. But the adverse rulings on social security heightened the problem and moved the schedule forward. His view is that nine months of budget deficits can overturn even the most steadfast plan.

"We have to move the belt-tightening forward," Finance Secretary Ricardo Gutierrez concluded. The fear is that the market will anticipate events and that the economic climate will be tense by election time.

A day later the overall strategy had been decided on: stress the dramatic nature of the problem and blame the judges for the red ink; put pressure on the Supreme Court; and draft a huge bill that will declare a social-security emergency and expand Cavallo's powers to cut spending. But the minister was hit by a severe headache that morning: Carlos Menem called him from Europe, worried over the announcement that retirees would not receive a Christmas bonus.

"This creates uneasiness among the old folks," the president told him. Cavallo had already figured out how harmful Schulthess' exaggerated statements had been. "Walter, you're a fine technician, but please don't speak out anymore," he suggested to him. And he issued the clarification that payments to retirees were guaranteed. Forty-eight dramatic hours passed between the two announcements.

Concern was the order of the day. Cavallo himself said as much in public, almost shouting: "Stability is in danger. We could return to hyperinflation."

In the interim Cavallo had several meetings with Jorge Matzkin to assure himself that ruling-party lawmakers would remain loyal when the time for a vote came. "We are going to support you, but it will be hard to expand your decision-making powers. Peronist lawmakers are angry," Matzkin admitted in the privacy of the minister's office. Few think that Congress is going to agree to abolish its own privileged pensions.

There was also a string of discreet meetings with members of the Supreme Court to gain their backing. No one thinks that Judge Gustavo Lopez and Cavallo discussed personal matters during their meeting. A day later the court issued a ruling that gives the minister some time. It was the most that a court embroiled in a deep political crisis could do.

After all this, the minister faced the cabinet. He did not mince words in alerting top administration officials to the dangers of the budget deficit. So much so that one of his colleagues described his address as "a kind of economic terrorism."

Cavallo was forthright: "I am going to say this bluntly. There is an alert. But, if we do not act, the problem could become unmanageable, unpredictable on the eve of the election."

He spoke for two hours. Some dozed off at times, but then the minister stepped up the pressure to gain the cabinet's support for his proposal.

He threatened to publicize the list of 1,000 rich and famous people who filed social-security suits against retirement funds.

"Even some businessmen did. Arnaldo Musich got an 8,000 peso judgment," he noted, to the surprise of all the ministers.

Bishops Criticize National Socioeconomic Policies

PY0911184794 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2232 GMT 8 Nov 94

[FBIS Translated Text] Buenos Aires, 8 Nov (NA)—Bishops from throughout the country today expressed their concern over the "cruel effects of the unemployment" that results from "insufficient job opportunities." They also warned that "economic changes must not overlook the promotion of social justice."

They said that "life, security, and education cannot be left behind," adding that the current situation of retired people represents a "serious distortion in our community's ethical balance." They also demanded "a decision for austerity" from the top levels "without conditioning it to foreign projects that worsen the deprivations of our people."

In a two-page statement read at the end of the 68th Episcopal Plenum Assembly, the bishops also stated that "considering the problem of poverty affecting the country a decision for austerity must be made, and this austerity must be practiced by all, starting from the levels that have more, in order to reach and raise up those who have less."

Concerning the situation of retired people, they warned that "it does not admit delay, and demands the urgent solidarity of all of society." They added: "We cannot and must not impose on anyone a blame that could serve as historical explanation or political argument."

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They added that "the day has come that demands united creativity in order to respond to our elder people promptly and with social conscience. This is an obligation of justice," they added.

"Social peace and tranquility necessarily require the generous solidarity of all Argentines," the bishops said. And after noting that the church seeks the "legitimate growth and development of our people," they added that "not everything can wait or be postponed."

In the document, considered one of the most critical of the social situation since the one issued in April 1991 in Catamarca, the bishops claim that "the current phenomenon of secularism that makes man independent from God prompts several forms of corruption to destroy the minds and the social system as well."

In that respect they added that "while there is contempt, ignorance, or a rejection of God, we will continue to suffer social injustice and the private and public practice of corruption, the main victims of which will be the family and society."

The statement was read by Cardinal Antonio Quarracino, chairman of the Episcopate, who was accompanied by the first and second vice presidents of the Episcopal Conference, Estanislao Karlic and Emilio Bianchi Di Carcano, and by Jose Luis Mollagan, secretary general of the Episcopal Conference.

In the document the bishops stated that "no one can be recognized without work, which represents the essential part of culture and the essential right of all people." They added that "man's greatest material poverty is having no job or not being able to work."

"We therefore believe that in any responsible program the aspect of occupational burden cannot be absent, because it establishes the social quality in any economic project," the bishops added.

They also said that "if money is given a social meaning there will be new possibilities of generating job opportunities." They also expressed their desire that businessmen "will feel encouraged in their responsibility to be valid multipliers and distributors of wealth, for the good of their brethren, and that the workers will assume the necessary training and will promote initiatives of solidarity."

"The poverty problem affects us deeply. Argentina is not free of this scourge, which affects most of mankind. But without conditioning it to foreign projects that worsen the deprivations of our people, we need an decision for an austerity that will be practiced by all," they said.

In conclusion, the bishops call for the protection of Our Lady of Lujan, the patron saint of Argentina, to "achieve a juster, more hopeful, more honest, and more Christian society."

Bolivia

Sanchez de Lozada Interviewed on Drug Issue

PY1011001294 La Paz Television Nacional Network in Spanish 0230 GMT 8 Nov 94

[Interview with President Gonzalo Sanchez de Lozada by Television Nacional anchorman Carlos Mesa, carried on the "De Cerca" program broadcast on 6 November; place and date not given—recorded]

[FBIS Translated Excerpt] [passage omitted] [Mesa] Unfortunately, I was recently involved in what seems to be the beginning of a dangerous escalation of violence: a thwarted attack, a series of threats, many more bomb threats, much unrest, and also a police operation, which you have already mentioned at the beginning of this interview. What is your point of view and the government's point of view about the situation the country is currently experiencing, which is a source of quite some concern?

[Sanchez de Lozada] Well, the significance of drug trafficking is precisely the subject I wanted to discuss with you and the Bolivian people. All Bolivians are against drug trafficking. There is no doubt that there is a consensus on this, but sometimes we understimate the danger of narco-guerrillas or the violence of drug cartels, like that experienced in Colombia and Peru, because Bolivia has not suffered this experience.

I was truly alarmed when I realized that the local media has not given this issue the importance and scope it deserves. There have been those who have even dared to tell me that this was set up by the government.

This is something absolutely absurd because the administration wants things to be calm. We do not want scandals, and we certainly are not going to be the ones to promote unrest.

Nevertheless, the people did not attach much importance to this incident. We were able to learn about it through the close ties we have established with Colombia and Peru. Although I am aware that people in Bolivia reject the DEA's activities—and to a certain extent they are right because sometimes the DEA's activities get out of control—we are now striving to conduct this relationship within a framework of respect and dignity by safeguarding Bolivia's sovereignty. In addition, because there were many people in the previous administration who were involved with drugs, DEA-Bolivian ties on drug trafficking and drug interdiction were out of control.

Nevertheless, we have to admit that the DEA's assistance was very, very important. Through it, we were able to establish that this operation was being organized, and we were able to adopt the proper measures. Moreover, and although sometimes people tend to forget it, the Bolivian police have experienced a great improvement, thank God. When I was a member of the Paz Estenssoro

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administration, we proceeded to implement a purge, a clean up, and a training process within the police force, to the extend that today we have one of the best police corps in the continent. This is why the Bolivian police were invited to go to Haiti. Thank God, the police were able to act effectively and the operation was thwarted.

These people intended to detonate a car bomb, in the El Prado area, for example, at noon. During the chaos that would have ensued, with the many injuries the explosion would have caused, and while the entire population and the police were focusing their attention on this problem, they intended to attack Chonchocoro prison; free the members of the Cali cartel who are imprisoned there; transfer them to a plane; and, with a prior stopover in Beni, fly them out to Colombia.

Obviously those who planned the attack—we believe that there were either 15 or 16 Colombians involved—decided to advance the date of their operation because they were very worried that security would be reinforced in view of [former President] Luis Garcia Meza's arrival.

I also want to say specifically that neither the Chonchocoro prison director nor the deputy director have been charged with involvement in anything related to this plan. We are, nevertheless, conducting a thorough investigation and adopting all the preventive measures.

I do not want to promote unrest in Bolivian society, but I believe that people in Colombia and Peru underestimated the drug problem, and this is why they experienced this problem. They did not address the problem in time, and by the time Colombian and Peruvian societies wanted to react, it was already too late. We do not gain anything, therefore, by hiding from Bolivian society what is occurring. What we are witnessing is the fact that with the disintegration and destruction of the Medellin cartel, there is an increasing displacement to Bolivia of the narco-trafficking chain, in other words, an increasing presence of Colombians who manufacture cocaine. What Bolivia basically does is produce coca leaf, macerate it, stomp it, and produce cocaine base. We then export the base, and in Colombia and other countries, it is converted into cocaine.

In view of the fact that this is becoming increasingly difficult, they are planning to move their operation to Bolivia. Bolivians are unaware that this poses a serious danger to the stability of our society. For fiscal, human, and social reasons, we cannot tolerate an outbreak of narco-guerrilla or cartel-like violence. There is nothing more dangerous than the Colombian mafia.

Although it is not my intention to alarm people, I believe this is the time for us to unite. This issue cannot be politicized. There cannot be such irresponsible people alleging that this was a show staged by the government or people who want to ignore the issue and not face the situation.

This entire situation is very serious. This is a highly delicate situation. Fortunately, we have been able to combat it and control it through the excellent action of the police. Moreover, it shows that we have to face the drug trafficking problem and all of its consequences because it may be the Achilles' heel of the so-called Bolivian miracle—the fragile miracle Bolivia has been able to achieve, which other more wealthy countries have been unable to achieve. [passage omitted]

[Mesa] I believe that drug trafficking and coca production was not your main priority in your election platform. What is more, there is only a small reference to it in the Plan for All bill. You have just said that Bolivia has underestimated the issue. Do you believe you have also underestimated it?

[Sanchez de Lozada] Obviously so. We had an outline, a plan—because there is a big difference between planning something and implementing it—to implement the zero option, and we are still studying it. Our plan was to convince coca farmers to change their activities, to switch over to alternative jobs created through big investments. We still need to iron out the details; quite frankly, however, I must admit that because this is an almost insoluble, very complex, and very dangerous issue, humans tend to ignore it. One of the reasons I am here tonight is to admit that I tried to ignore it. I said: Well, I am going to implement the Plan for All and that is enough but that is not the way it works. This is because the dynamics of the problem have changed.

Before, when we drafted the currently enforced policy—interdiction, repression, voluntary eradication of coca farms and the alternative development program, all of which are encompassed in the Law 2008, which was one of the great measures adopted by the Paz Estenssoro administration—coca producers were innocent people. They produced coca leaf to sell it to intermediaries who bought the merchandise to manufacture paste. Because repression is harsh and the price of coca leaf has dropped, coca farmers have become part of the cocaine manufacturing process. Coca producers, particularly in Chapare, are now manufacturing cocaine paste. They have become part of the drug trafficking operation.

Although I know that all Bolivians are against drug trafficking, it is also true that all Bolivians, or at least the majority of them, pity coca farmers because they are unfortunate peasants who are doing whatever they can to earn their daily bread. During the famous peasant march we witnessed the expressions of solidarity for these people.

Bolivians refuse to admit that the entire coca production in Chapare is devoted to cocaine manufacturing because even the coca that is chewed in Chapare is brought over from the Yungas region. The coca leaf produced in the Chapare region is not devoted to domestic use. Very few, very impoverished people devote their coca production to domestic use. The truth is that the entire coca leaf production of the Chapare region ends up as cocaine paste, and almost the entire cocaine paste production is manufactured by peasants.

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Moreover, coca unions and coca leaders are very much involved in this. I am not saying they are members of the drug cartels. No, not at all, but they are producing cocaine paste because it is much easier to transport a few kilograms of cocaine paste than tonnes of coca leaf. In view of this, we literally are discovering hundreds of thousands of maceration pits in the hands of peasants.

This shows that the business dynamics has changed. In view of the fact that this link has been established, Colombians are thinking of coming to Bolivia to manufacture cocaine and to market it directly from Bolivia.

We have witnessed this in the past. Drug trafficking was deeply infiltrated in the Garcia Meza administration. The then interior minister is now serving a jail sentence in the United States, and we are perfectly aware that he was deeply involved in drug trafficking. We are perfectly aware that extremely harsh charges have been raised against members of the previous administration regarding the financing of campaigns by drug traffickers. Moreover, we are perefectly aware that these people can destabilize Bolivian society.

Let me just remind you that when the drug cartels start operating, they kill judges, journalists, politicians and people running for public office, businessmen. It is this type of violence, of domestic war, which has affected Colombia and Peru, that we have to avoid. Moreover, this is not a problem affecting a single administration. Although I am aware it is my responsibility—I do not elude it—I urge the people of Bolivia to start studying this problem and to start discussing the proper solutions. [passage omitted]

[Mesa] During the height of the storm, you explicitly said that the alternative development program had failed. Later your statement was downplayed, but as you have just said, and with very good judgment, the alternative development program seems to be the best option to overcome this vicious circle. Nevertheless, as you have said, and as we have personally witnessed during different journalism related activities in the Chapare region, this program is not working in Chapare. Why do you believe the alternative development program, which is a very interesting and positive idea, is not achieving its goals in Chapare?

[Sanchez de Lozada] Well, I believe that this is because it was handled in a bureaucratic manner. It was managed from government offices.

Look, when I said what I said—It is very dangerous to say anything because people take a word out of context and....

[Mesa, interrupting] Of course it is dangerous....

[Sanchez de Lozada, interrupting] I am not complaining, but the truth is that I said the program was a failure because of the manner in which it was managed. I did not say that the policy was a failure. What I said is that what had been done until then was not effective. First of all, about 50 percent was spent on general expenses, that is, foreign experts, people in Cochabamba, and the like. The truth is that as the Popular Participation Law has shown us, only 15 percent should have been devoted to this, and 90 or 85 percent should have been devoted to investments.

Second of all, there was no community participation; there was no social participation, which is what we are doing with the Popular Participation Law. What we are doing now is going to the communities. They are given the resources, and if they want assistance from one of the funds, we discuss it. This is the same dynamic we should enforce in Chapare, not only with coca farmers, but with all Chapare residents.

The majority of Bolivians are unaware that coca farming is not the main activity conducted by Chapare residents or the main crop farmed by Chapare farmers. They farm other products. Bolivian citizens and Bolivian farmers want a better life but the majority of them want to achieve this goal within the framework of the law. Peasants are more respectful of the law than city folk. They are very respectful of the authority and the law.

The trouble is that because of neglect, there is a leadership that is very connected to coca farming. We have learned that many of the leaders of coca farmers own somewhere between 10 and 20 hectares of coca farms. They of course are not interested in the eradication of coca farms because it is a great business.

Obviously, Bolivian society must make a sacrifice, but they also have to do their share. Moreover, they will only accept the implementation of the voluntary eradication of coca farms if they see that the entire Bolivian society has achieved a consensus. If they enjoy the support of society, why should they cease to produce coca. Do you understand what I mean?

Therefore, like the government has done, it is up to society to become aware of this problem and renew the antidrug plan or strategy or revise and amend what was implemented during the Paz Estenssoro administration. I believe we need a greater participation on the part of citizens. This is something that cannot be done only by the government.

[Mesa] Regarding the United States, you have mentioned the carrots and the sticks. People believe that the U.S. Government is very effective in applying the stick regarding drug enforcement, but not so effective in giving out carrots, particularly with such a complex issue. What is your opinion?

[Sanchez de Lozada] Well, unfortunately I have to agree. I refuse to be chauvinistic. No one will believe me anyway if I attack the United States because of my American accent. Nevertheless, I believe that I have the moral authority and dignity to assert, because everyone is aware how I obtained my fortune, about my political career and my political attitude, that we are engaged in a

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very frank dialogue so that everything is not reduced to pressure, because threats abound but incentives are scarce.

As I have already said, I will not adopt chauvinistic attitudes with either Chile or the United States because I believe these are issues that should be discussed. Moreover, I believe that with the consensus of Bolivian society, with social support, with a policy based on a social consensus, and a willingness to prevent what happened in Colombia and Peru—because prevention is always better than the cure—I believe we will gain the support and respect of the United States and the entire international community.

[Mesa] Mr. President, to end the issue I would like to ask you two more questions. Has your experience in government compelled you to change your personal position on the decriminalization of drugs?

[Sanchez de Lozada] No, no. Just as I have said before assuming the presidency, after I assumed the presidency, and even in a lecture during the closing ceremony of a Seminar of the Americas in New York, when I categorically answered a question by stating that I personally believe human history has shown that vices cannot be prohibited. It seems that this is an intrinsic trait of human nature. The Holy Catholic Church has taught us that we are born with original sin. We are sinners and must fight against this. I don't believe the prohibition will lead to anything, but a country like Bolivia and a Bolivian president cannot say this because everyone will allege that what we want to do is to produce and sell coca. Do you understand what I mean? We would look bad; we have no authority or influence to do so. When the time comes, that position must come from the consumer countries. I do not see this happening in the near future because developed European, North American, and Eastern societies do not accept it. Tobacco, which is highly addictive and harmful, is accepted by society. So is alcohol, despite the fact that it is the cause of so many accidents, the loss of many lives, the destruction of families, and the loss of working days. These are accepted by society, but not drugs, and even less cocaine.

This was an intellectual proposition but it can never be adopted as a government policy because of the situation in Bolivia. Not even Bolivian society accepts drugs.

I must be honest. When the U.S. Government decreed prohibition in Chicago—I studied at Chicago University—there were more killings than in Medellin. When something is prohibited but people want to consume it and are not convinced that it is bad for them, you are promoting crime.

Although I may be in favor of decriminalizing drugs, I cannot make this proposal before the international community because this is a consensus that must be achieved by consumers, not producers. [passage omitted]

Views Political Decisions

MS0911135894 London FINANCIAL TIMES in English 9 Nov 94 p 1

[Report on interview with President Gonzalo Sanchez de Lozada by Stephen Fidler, Richard Bauer, and Sally Bowen; date and place not given; from the FINANCIAL TIMES Survey supplement]

[FBIS Transcribed Text] Q: Your government gives the impression of having a lot of vision, a lot of ideas, which seem forward-looking and coherent. But some of the measures you have introduced—for example the reform of the executive—may have put back other aspects of your reform. And after 15 months of your government, its practical impact seems to have been limited.

A: In the first year of this government, the legislation which came about, including constitutional reform, was simply extraordinary. But that is very far away from people's lives.

Let's start with our reform of the executive branch. If you don't take that step at the beginning of a new government the cement gels and you can never change it. But there's a cost—in time lost until people adjust and until the system works—but the steps that have been made have been very important.

Let's go to step number two—popular participation. For the first time in 500 years we have recognised the existence of native communities. Why Bolivia works with a low level of violence, and is a working, functioning democracy with our terrific, critical poverty is basically because the family and the community is very important. We've created territorial municipalities—true local government—as opposed to the traditional, colonial, Spanish city where the landowners lived and which governed the countryside.

We've given economic and political power back to the people. Two-thirds of Bolivians are Indian communities and the great majority of Bolivians don't speak Spanish—as the president doesn't speak it well. We also took 20 per cent of the central government's income and distributed it according to the population, so for the first time in 500 years people received money instead of sending money to central government. They're deciding what they're going to spend the money on, and we've also given them the administration of health and education.

The central government will provide the teachers and the doctors, but the community will administer them. Of course, the teachers' unions are indignant and the doctors are outraged because they have these poor, dirty Indians telling them what services they need.

It started on July 1, so the people are starting to get the money. Of course, they'll wake up and realise the money's nothing next to the problems, but before they had nothing.

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Q: Aren't you worried about local corruption?

A: The church asked me about that and I said if that should happen we'd be the first country to have democratised corruption. Why should only the big guys steal? Let the little guys steal. But I don't think so—I asked that of the local mayor in a community I visited and he said: 'I can't because everybody's looking at me'.

Q: What about central government?

A: The third thing was constitutional reform, and we've gone for the German (electoral) system where we have proportional representation in the congress, but half the legislators are voted by districts.

Now, we just have a list, so if you vote for the president in every department you get the president's men. But they're going to have the right to vote for the guy that represents them and for the president, but we will still have proportional representation.

In the constitutional reform, we've brought in the ombudsman, and we've brought in complete reorganisation of the judicial branch.

Finally, we come to capitalisation which is probably the cornerstone of the whole thing. In traditional privatisation you sell the state-owned assets and whoever buys them has to invest and modernise.

What we're saying is, don't buy it from us, put in the money to modernise it and what is left in the hands of the state, which would be up to 50 per cent, we then distribute to the Bolivian people for pension plans. That's easier said than done: individual capitalisation pension plans.

Q: Are you optimistic that capitalisation will work, will attract investors?

A: We're very sure that it will. Let me give you a reason why: Bolivia is a relatively large country but it's a small, poor economy. But we had never taken into account, living up here in the Andes, that it is a hub: its location is what makes it valuable.

Let's take the electric energy sector: we have 31 companies interested in the capitalisation which we hope to have finished by March. What they've told us is you're sitting at 4,000 metres and an awful lot of water goes down to sea level, and it's environmentally friendly. We can sell the electricity into southern Peru, northern Chile and Argentina and into Brazil.

You take the second sector; hydrocarbons. Bolivia, on top of very important reserves, is situated strategically so that it can export into northern Chile, southern Peru, Sao Paulo.

For big oil companies, gas was a nuisance and an unnecessary by-product. But in an environmentally-conscious world, big companies have to be gas-orientated. We think the prices are ridiculously low, we think we are being taken to the cleaners, but we know that the trend as people get used to gas, and see the benefits of an abundant, economic and clean fuel, we're sitting on a gold mine.

The last thing on the agenda is educational reform. Here we're talking about something that nobody ever accepted—that you should learn to read and write in your native language.

Nobody can learn another language until he's learned to read and write and think in his own language. This doesn't sound like much, but this is revolutionary. They grab these poor children, they throw them into school, they have a teacher that talks to them in Spanish and are prohibited to even use their native clothes. Secondly, we've decided that all schools, public or private, must be accredited. We want to have standard testing; we've created a regulatory body that's elected by a two-thirds majority to do this. The schoolteachers are outraged because they will be dependent on the community.

Q: Isn't it true that you're really not informing people much about capitalisation?

A: In a way, you're right. We learn from Machiavelli that change is not advisable because those affected realise it immediately and those benefiting take a long time. So there's a terrific problem in communications, and it's basically because the president isn't talking to the people. The reason he's not talking to them is that we are in this gestation period—these are very hard policies to put in place.

This is the critical year; we must finish capitalisation this year, we think we can do it—easily we'll get it done by 1995. But people won't see anything till 1996 because the people who capitalise this country will have billions of dollars on deposit but then they have to do the studies, they have to place the orders and then they'll be seeing it moving.

Q: Do you have a clear strategy of what you will do about Bolivia's illegal coca production?

A: Obviously not; who has a clear strategy with drugs? The day somebody invents a synthetic cocaine it's all finished. But the damage is to us because our institutions are too weak to resist the cartels.

Q: The amount under cultivation hasn't grown in the last few years. Is that good news?

A: In drugs, all I can say is it's like having cancer and saying it's not growing. You haven't got free of the cancer but at least it's not growing.

Q: Are the armed forces and police involved?

A: Well, no. The armed forces were intensely involved before democracy came back. These institutions have a great ability to cleanse themselves through promotions,

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and they retire so quickly and they move up, and we have isolated the armed forces: they only give a support role to the police.

The police, who were terribly corrupt have again been purified, I won't say lily-white, but I think that the area of greatest preoccupation is the judicial branch. We're working very hard because a country without justice is like a land without water. We're working very hard to depoliticise it; make it independent; make it impartial; make it competent.

Generally, institutionally we're doing relatively well. Where we're not doing well is that the so-called farmers' unions are the bottom rung of drug trafficking. I'm not saying they're taking it to England or taking it to the US, but they're definitely getting the paste to the boys in the line.

Colombia's integrating backwards; they want to produce their own coca so they don't have to depend on Bolivia. The Bolivians want to produce their own cocaine so they can sell it directly to the market. It's a very, very dangerous situation and I must admit that we're racking our brains.

Don't forget that Bolivia was, like most countries, not only ineffective at providing goods and services, it was really ineffective at providing social services. We recognise that that's the role of the state the real mechanism of redistribution of wealth—but we think governments, including the developed countries' governments, are awful at doing that. They're better at producing electricity or oil than they are at producing health and education. So we're giving it back to the people...

There's one thing that makes me see the light—there's no way I can do it worse than the others have done. When they say 'How can you give all these Indians all this political power and economic power?' I say they can't do worse than we've done.

You're worried about corruption, you're worried about them having a party; at least it'll be a good party. They can't do it worse than we've done for 500 years.

Brazil

President Signs 1994 Budget Bill

PY1011001694 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 9 Nov 94

[FBIS Translated Text] President Itamar Franco today signed the 1994 budget bill. The law states that the National Budget revenues amount to 206.412 billion reals [R]. The president also signed a provisional measure transferring R500 million from the Workers Support Fund to finance the next agricultural harvest. Another provisional measure signed by the president grants a R7 million loan to Lloyds [Brazilian State Shipping Company] to enable it to pay overdue salaries of its workers.

Cardoso Meets Government Economic Team Members

PY1011141094 Sao Paulo AGENCIA ESTADO in Portuguese 1933 GMT 9 Nov 94

[Report by Christiane Samarco]

[FBIS Translated Text] Brasilia, 9 Nov (AE)—One day after meeting with all the top economic team members, in the absence of Finance Minister Ciro Gomes, President-elect Fernando Henrique Cardoso today charged that there is "a process to destabilize the finance minister," which is described in a report on the meeting. He denied that he summoned the economists to Alvorada Palace to "pacify" relations between Gomes and the team, which have recently led to misunderstandings. Cardoso attributed the reports to a "maneuver" seeking to harm Gomes. "I will not cooperate toward this objective," he said.

Cardoso ordered his press adviser Augusto Fonseca to report that he does not intend to speed up the announcement of his finance minister in order to calm down the market. "Ministers will be named only between 25 and 31 December," he said. He also ordered Fonseca to make public an expression of personal appreciation for the finance minister. "Gomes took office at a difficult moment and is doing things quite properly," Cardoso was quoted as saying. Cardoso emphasized to Fonseca that he has full confidence in Gomes' ability to manage the economy.

The meeting at Alvorada Palace was attended by Central Bank President Pedro Malan, BNDES [National Bank for Economic and Social Development] President Persio Arida, Central Bank International Affairs Department Director Gustavo Franco, special Finance Ministry adviser Edmar Bacha, and Finance Ministry Executive Secretary Clovis Carvalho. Even though he met with the team that he commanded when he was finance minister, Cardoso denied that he has resumed command of the economy or that he mediated in the "alleged crisis" between Gomes and the team. "My only gesture toward ensuring the continuation of the economic policy was to say, last week, that the economic team will remain unchanged," Cardoso told Augusto Fonseca.

Fonseca explained that the meeting with Ciro Gomes on the evening of 7 November and the meeting with the economic team on the following day are part of the transition routine. These talks will be held with all the ministers of the Itamar Franco administration. On 11 November Cardoso's agenda will include a meeting with Administration Secretary Romildo Canhim. "The president is gathering more detailed information to decide what he will do as of 1 January," Fonseca said. Cardoso today held a long meeting with Gustavo Franco.

Cardoso's ideas on the project for constitutional reform that he intends to submit to Congress during the first half of 1995 will be outlined in a speech he will give to Congress. Cardoso will take the floor at the Senate

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between the end of November and the first week of December to say what he expects from politicians to guarantee the continuity of the economic stabilization plan.

'Problems' Relating To Gomes, Economy of Concern to Cardoso

PY0911203594 Sao Paulo AGENCIA ESTADO in Portuguese 2254 GMT 8 Nov 94

[FBIS Translated Text] Brasilia, 8 Nov (AE)—There are three problems that are a source of considerable concern to President-elect Fernando Henrique Cardoso in the economic field: The conflicting relations between Finance Minister Ciro Gomes and businessmen, the disagreements between Gomes and his economic team, and the first signals showing that the inflation rate is climbing.

The 2.62 percent IPC [Consumer Price Index] inflation rate measured at the beginning of October by the Getulio Vargas Foundation (FGV) in Rio de Janeiro and the 3.17 percent IPC measured by the Economic Research Institute Foundation (FIPE) in Sao Paulo are a source of concern to the economic team. This was one of the subjects discussed today during a meeting held by the economic team with Cardoso in Alvorada Palace.

Cardoso attempted to erase the impression that he is meddling in matters of the current administration. "They are making a structural analysis of the Brazilian economy with projections for 1995," said Cardoso's press adviser Augusto Fonseca. "They are not analyzing the current economic situation or the development of the economic plan," Fonseca told the journalists who waited outside Alvorada Palace.

The climbing inflation rate is nonetheless a source of concern for both the current and future administrations. Price increases will also pull up the salary compensation indexes to which workers are entitled, as envisaged in the provisional measure that created the real. The provisional measure guarantees compensation for the loss of the purchasing power for all labor categories until July 1995, based on the variation of the IPC-r [Consumer Price Index- real] calculated by the IBGE [Brazilian Geography and Statistics Institute]. If the compensation indexes are very high, the pressures to return to the indexation of the economy—considered by the economic team as one of the greatest risks faced by the Real Plan—will increase.

Cardoso Helps Overcome Gomes-Economic Team 'Crisis'

PY1011120694 Rio de Janeiro O GLOBO in Portuguese 9 Nov 94 p 20

[By Jorge Bastos Moreno]

[FBIS Translated Text] Brasilia—A dinner shared on 7 November by President-elect Fernando Henrique Cardoso and Finance Minister Ciro Gomes, a meeting held yesterday by Cardoso with members of the government's economic team, and another meeting held by Cardoso with President Itamar Franco have been instrumental in overcoming the most serious internal crisis experienced by the incumbent government since the implementation of the Real Plan, a crisis that was threatening the stabilization plan itself. Disagreements with his team members, fights with businessmen, and a court battle against a fellow party member—banker Ronaldo Cesar Coelho—were threatening Gomes' position in the government.

Conferring with a politician after meeting with Gomes on the evening of 7 November, Cardoso said: There is no crisis. Everything can be worked out through talks.

During his recent tour of Mercosur [Common Market of the South] member countries, Cardoso already heard about the disagreement between Gomes and his economic team. Unwisely—as he himself would admit later—Cardoso reaffirmed in a news conference that he is going to maintain the incumbent economic team in his government, thus repeating what he had time and again said during his electoral campaign. Yet, within the context of the team's dispute with Gomes, his announcement sounded more like an expression of solidarity or of support.

On 7 November Cardoso was briefed by some members of the economic team about their disagreements with Gomes. Cardoso then took action to overcome the disagreements. His first move was to calm down those advisers he had appointed at the Finance Ministry. Cardoso told all of them that despite his flaring temper, Minister Gomes is a well-meaning person who is receptive to suggestions and even to criticism.

In his meeting with Gomes, Cardoso heard Gomes' complaints not only against members of the economic team but against members of the Brazilian Social Democracy Party, whom he charged with working against the plan in their attempt to defend other interests.

A politician who is a friend of Cardoso's said: The president-elect acted as tactfully as he could.

Cardoso displayed great care and tact to attempt to overcome the crisis because as he himself had admitted to congressmen a few days ago, his appeal had been decisive in prompting Gomes to agree to replace Rubens Ricupero as finance minister.

In addition to Gomes' complaints and his disagreements with the economic team, the president-elect has other sources of concern regarding the economic plan. Included among these are Gomes' willingness—which has been endorsed by Planalto Palace—to discontinue the eviction of house tenants and to implement other measures that would endanger the implementation of the Real Plan, such as the increase of the minimum salary to 100 reals monthly.

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PT First Vice President Views Electoral Defeat

PY0911122194 Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Nov 94 p 7

[Article by Claudia de Souza]

[FBIS Translated Text] Sao Paulo—One expects the Shiite first vice president of the Workers Party [PT] to be flashy and arrogant. The man, clad in well-cut jeans and wearing the traditional tennis shoes, does not fit, however, into the above stereotype. His manners are gentle and he speaks carefully. Rui Falcao insists that he is a conciliatory man. He also declines to do what others expect him to do now, saying rhetorically: "We could say that the PT president is responsible for the electoral defeat. I assume my responsibility. Yet what good is that going to do now?" He adds: "During the electoral race Lula was considered ill-prepared and the PT a party of intellectuals. In the wake of our electoral defeat, Lula is considered to be generous and the PT is bad. This is a political game."

Falcao gives a simple explanation for the PT defeat at the hands of the electoral bulldozer called the Real Plan. Taking it for granted that they were going to win the elections, the PT did not resist the launching of the Real Plan. He says: "We should have taken a stronger stand before the people became fascinated—and rightly so—by the new currency. Yet there was excessive confidence in a PT victory, and it was believed that the best thing that could happen would be for the election-oriented plan to initially bring a moderate decline in inflation and then start requiring deep changes, corrections, and reforms, following a similar pattern to that of the Cruzado Plan. Nothing would have been better than to catch the government under those circumstances."

Falcao believes their adversary's victory will be short-lived. He says: "Argentina has already been decimated by a neoliberal plan. No one is raising the social democratic banners in Argentina." He thus made it clear that Brazil is moving toward a similar fate. He adds: "In Brazil, the elite have been totally against any form of concession regarding distribution of economic surplus and income." He then points to another faulty conclusion, saying that "contrary to what many of our fellow party members believed, intellectuals of the PSDB [Brazilian Social Democracy Party] were not shocked at the PSDB alliance with the PFL [Liberal Front Party]."

Falcao notes that the PT continues to be a socialist party. It does not follow a Marxist-type socialism, but the old European utopia. He says: "The socialism that has disappeared is a kind of socialism we never sponsored. Socialist ideas continue to be discussed and promoted, because socialism existed before Marx and continues to exist after him. To us, socialism has never been a dogma. A perfect society calls for men to be equal and for a certain degree of totalitarianism. We believe in a society based on cooperation which, in an unforeseeable future, will lead us to a market different from the one we have now; that is, to a socially regulated market."

Falcao states firmly that the PT advocates socialism with democracy, rejects the single party system, and upholds rotation in power and the existence of opposition parties. He wants the PT to be in the opposition in 1995. The PT national executive board has ruled out the possibility that the PT might take part in the new government. Making it clear that a position such as that adopted by former Sao Paulo Mayor Luiza Erundina will no longer be tolerated, at least as far as he is concerned, Falcao says: "We have been lenient with Itamar Franco's administration." He adds: "Anyone choosing to take part in the new government will have to withdraw from the PT first."

The PT is also prohibiting its members from supporting PPR [Progressive Renewal Party] gubernatorial candidate Epitacio Cafeteira in Maranhao State, despite the appeal made by local PT members. Last year, the PT executive board also prohibited PT congressmen from proposing amendments during the unsuccessful constitutional revision process.

Yet many PT insiders and outsiders alike are beginning to wonder whether this dedicated activist—who observes party discipline as well as the documents approved over the years by PT assemblies and congresses, who controls the PT municipal apparatus in Sao Paulo, the PT board in Sao Paulo, and the national executive board as the party's first vice president—might not be starting to speak in his own name only.

Having obtained 23,457 votes in the 3 October elections, placing seventh among the 19 deputies elected by the party behind little- known regional names, Falcao may be underestimating the strength acquired in the past two years by figures such as Deputy Jose Genoino, who was reelected to the Chamber of Deputies with 192,230 votes.

Falcao refuses to admit to the division between radicals and moderates within the PT. He continues to regard the term Shi'ite, used to designate PT members who are against any compromise regarding the principles adopted by the party, as a meaningless fabrication of the press. He recalls his earlier negotiations to unify the party. He notes that later, when Luiza Erundina joined Franco's administration, the punishment imposed on her was reduced to a six-month suspension. He also describes as press fabrications the reports of friction between himself and Luiza Erundina.

Falcao also discusses his earlier proposal to negotiate with the PSDB. He says: "We even discovered that the PSDB had a project centered on Fernando Henrique Cardoso. I am not a radical. I am, however, firm in defending my ideas." It remains to be seen whether in these new times his ideas will carry any weight or authority.

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Conflicting Opinions Within Workers Party Examined

PY0911143094 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Nov 94 p A6

[From the "Estadao" column by acting columnist Ana Maria Tahan]

[FBIS Translated Text] The PT [Workers Party] is planning its action for the eventual constitutional reform preached by President-elect Fernando Henrique Cardoso. Deputy for Sao Paulo Jose Genoino has anticipated that the party will make suggestions for economic, fiscal, tax, and state administrative reforms. Because of negative experiences he has had in the past, Jose Fortunatti, deputy for Rio Grande do Sul and current PT leader in the Chamber of Deputies, says he hopes the party organization will not again oppose the party bloc.

Fortunatti said: "The bloc is willing to negotiate alliances and is more open-minded than the party, because routine political action calls for negotiation and even for making positions more flexible, without relinquishing the principles." "If Cardoso invites us to debate proposals, we will be willing to sit at the negotiating table with the government," he added.

Fortunatti's opinion collides with the party position. PT President Rui Falcao has said that the bloc must propose alternatives to society. He warned, however, that "lawmakers should stop working on an exclusively individual basis. Their work should be a result of party action."

PT Communications Secretary Markus Sokol has proposed mechanisms to control compliance with the people's will, with permanent evaluation—during plenary sessions—of the work by party deputies and senators.

The situation within the PT will remain hot.

Coffee Harvest Expected To Drop by 50 Percent

PY1011015294 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 9 Nov 94

[Report by Beth Veloso in Brasilia—live]

[FBIS Translated Text] The Industry and Commerce Ministry foresees a 50 percent drop in the 1995-96 coffee harvest. Production will not be sufficient to meet the demand of the domestic market and export requirements, according to a study released today by the Industry and Commerce Ministry. The 1995-96 coffee harvest will total approximately 12-15 million sacks, that is, 9-10 million sacks less than what is needed to meet demand. Commerce Policy Secretary Frederico Robalinho nonetheless said there is no risk of a coffee shortage in the domestic market or an increase in prices.

[Begin Robalinho recording] No, there is no risk because the supply level will be maintained; therefore, the industries of soluble, roasted, and ground coffee will have enough coffee to process. [end recording]

According to Robalinho, the coffee supply will be guaranteed by private stocks and the government regulating stocks. The Industry and Commerce Ministry will define with the economic team a timetable to auction coffee in the upcoming two years.

The nearly 50 percent drop in coffee production was caused by the frosts and the droughts that affected the coffee crops this year.

Vacancies for 48 Official 'Spies' Advertised

PY0911233994 Rio de Janeiro O GLOBO in Portuguese 8 Nov 94 p 9

[FBIS Translated Text] Brasilia—For the first time in the history of the intelligence service, official "spies" will be hired through public job announcements. There are 48 vacancies for information analysts at the Strategic Affairs Secretariat (SAE). Those interested in earning 583.23 reals per month have until 11 November to submit their applications at any of the 10 Bank of Brazil branches in Brasilia. The future Brazilian spies must have a higher level of education and will be assigned to work in Brasilia or at the SAE offices in the 12 state capitals.

The salary offered is the basic one for SAE employees. SAE officials say the pay is inadequate for the effort required and, in some cases, the risks entailed, yet the announcement may yield positive results.

One SAE agent, who asked not to be identified, said: There are many good people who are unemployed, especially former employees who are used to handling information and who want to return.

SAE salaries are, at all levels, the lowest ever paid by the intelligence service. President-elect Fernando Henrique Cardoso's apparent desire to reorganize the SAE is both encouraging and discouraging for SAE personnel.

Junior SAE personnel believe a strengthening of the SAE will mean better salaries and working conditions. SAE Secretary Mario Cesar Flores and his main advisers are afraid that, in the mold of the SNI [National Intelligence Service], the reorganization might place the intelligence service under the military again.

One high-ranking SAE official said: The Army wants to revive the old structure. The Army carries a lot of weight and this would further strengthen its position through the anti-crime operation in Rio de Janeiro.

Privatization of Embraer Set for 7 Dec

PY1011015494 Rio de Janeiro O GLOBO in Portuguese 8 Nov 94 p 25

[FBIS Translated Text] The privatization of the Brazilian Aeronautics Company [Embraer] has been set for 7 December. The executive committee of the National Privatization Program (PND) yesterday set the date for auctioning the majority of the stocks of Embraer. The

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equivalent to 55.4 percent of voting stocks of Embraer will be offered at the minimum price of 153.7 million reals [R]. The equivalent to 10.9 percent of ordinary stocks will be set aside for Embraer employees, and 9 percent will be offered to the general public.

To ensure that control of the company will be transferred to the private sector, the government will have to sell at least 51 percent of its capital. The federal government will be represented by the Aeronautics Ministry, which will retain 20 percent of the stocks, and by the Bank of Brazil [BB], with 4.7 percent. After the auction, the new majority stockholders will be required to increase Embraer's capital by R 30 million as part of their payment in cash for the stocks.

At the auction, buyers may use only privatization currencies such as agricultural debt certificates and Siderbras [Brazilian Iron and Steel Company] debentures.

Andre Franco Montoro Filho, head of the PND executive committee, said that Emnbraer will use the increase in capital as its working capital.

Because Embraer is regarded as a strategic company, prospective buyers planning to attend the auction will have to go through a pre-identification process. It will be incumbent upon the Aeronautics Ministry to determine who may buy Embraer stocks. The pre-identification process is scheduled to conclude on 5 December. The participation of foreign capital will be limited to 40 percent of the voting capital.

The privatization of Embraer will also entail the creation of golden shares [preceding two words in English], which are special stocks granting a veto power to the federal government if, among other cases, an attempt is made to change either the objectives or the name of the company. These shares will not, however, be auctioned.

Montoro Filho also announced that the Rio de Janeiro Stock Exchange, through the National Electronic Trading System (Senn), will today—from 1630 to 1830—start to receive offers for the purchase of minority stocks of state-owned companies included in the PND. Stocks of 16 companies—including the Brazilian Petroleum Corporation, the Rio Doce Valley Company, and the BB—will be sold through this system.

'Piranha' Missile Developed by Mectron

PY0411173594 Sao Paulo GAZETA MERCANTIL in Portuguese 1 Nov 94 p 11

[Article by Virginia Silveira from Sao Jose dos Campos]

[FBIS Translated Text] The "Piranha" ground-to-air [as published] missile—which Brigadier General Hugo de Oliveira Piva, retired, developed for Iraq in 1989 and 1990—is already well advanced in Brazil after the Aeronautics Ministry reactivated the project some 11 months ago. The project was given to Mectron, a company run by five engineers who worked for Piva in Iraq.

The engineers received all the technical documentation on the project that was developed in Iraq for use on the Brazilian version of the missile. The Iraqi project was given to Mectron by Piva, who gives indirect assistance to the engineers' team through his innumerous contacts with companies that supply parts and systems.

As Piva put it, "Piranha" progressed a great deal in Iraq and reached the stage where a prototype was ready for a test flight. Piva said: "We had resources to do in a year what Brazil did in five years," The "Piranha" project was deactivated by the Aeronautics Ministry in 1988 because there were not enough resources then for the final development of the missile.

The project was coordinated for 12 years by the Aeronautics Technical Center (CTA) jointly with DF Vasconcelos and the now-defunct Orbita companies. Then, Orbita was a joint-venture comprising Embraer [Brazilian Aeronautics Company] and Engesa [Specialized Engineers, Inc.]. Still under the control of CTA, the "Piranha" missile project received $8.8 million this year from the Aeronautics Ministry. These resources allowed Mectron to prepare prototypes to be submitted to quality tests in test facilities and wind tunnels.

Piva estimates the manufacturing stage of the missile will require $50 million to start with. He said Brazil may spend less because it does not need to develop the complete project and Brazilian industry can provide considerable assistance by supplying components. He added: "We just need to draw the plans," which will considerably facilitate the manufacture of the system.

The "Piranha" is a tactical, short-range missile, guided by a double system that combines a precision radar and an infrared heat-seeking sensor. The missile is fired from a plane and seeks its target via the heat generated by the motor of the enemy plane or by the plane's passage through the air.

Under ideal situations the "Piranha" can detect a target from 8,000 meters. The project, according to Gen. Piva, is an adaptation of the U.S. Sidewinder, the Israeli Shafir, and the French Matra Magic missiles. One of its designers has said the technology is not very far behind its competitors and it can be considered an advanced missile given its navigation and maneuvering system (it can turn tighter than a plane).

The designer said "Piranha" can attack a target from any direction, including head-on. Older missiles used to find the target from behind, attracted by the heat of the motor. Just like the Sidewinder and the Matra, the "Piranha" can also detect the enemy by the heat generated on the plane's wings. It is only surpassed by the Israeli version of the "Paython" missile which has a longer range. The speed of the "Piranha" depends on the plane from which it is launched, but it can reach Match 3, that is, three times the sound speed or four times the speed of a Boeing.

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The "Piranha" weighs 80 kg and carries 30 kg of explosives along its 8 km range. It is a defense missile used to down attack planes. Mectron will begin to carry out test flights with the missile in December from a combat plane like the Embraer-made AMX.

Gen. Piva said the mass production of the missiles is essential to allow the Aeronautics Ministry to verify the performance of the system under real conditions. It will also offer a good training opportunity for pilots. Although Brigadier General Nelson Teixeira Pinto, chief of the Air Force Social Communication Center (Cecomsaer), confirmed that Mectron is developing the "Piranha," he did not reveal details of the project alleging that it is confidential.

Piva said Mectron can build "Piranha" simulators. Mectron developed for the Brazilian Army the simulator and test equipment for the anti-tank MSS-1.2 missile, a defense system against combat vehicles. These units were delivered in April 1993 and are currently being tested by the Army for a possible mass production.

Mectron engineers told GAZETA MERCANTIL they could not reveal anything about the development of the "Piranha" missile for contractual reasons. The latest report on the reactivation of the project was officially made last January by the CTA. It was then confirmed that the Aeronautics Ministry would invest $8.8 million in the project.

Piva headed a group of 21 Brazilian engineers and experts hired to develop a short-range missile for the Iraqi government. The missile was similar to the "Piranha," which was being built by the CTA in Sao Jose dos Campos in 1976.

The project was developed by HOP Consultants and Representations, a company specialized in weapon consultation that was created by Piva. HOP closed in 1990. Piva then founded Spaceplus Commercial Limited, a company that exports and imports consumption products like wine and pepper, and offers advisory services for the automation and modernization of factories.

Piva, who has always been linked with the development of new weapons for the Aeronautics Ministry, simply participated as an indirect link in the reactivation of the "Piranha" project. He said once he returned from Iraq, the Brazilian Government refused to continue the "Piranha" project.

"I made a proposal, but it was not accepted, perhaps because they feared negative reactions from the Americans, who always regarded with distrust the development of Brazilian weapon technology," he added. Now, at 68 years of age, Piva said he no longer views the development of a Brazilian weapon industry as a matter of defense but a as a matter of national development.

Technological products require the creation and application of advanced methods of projection, calculation, simulators, and quality control. Mastering this technology will benefit all branches of industrial activity. "Research institutes pass their technology to other industries subcontracted by other companies. Suppliers will improve their production, and so on," Piva said.

Gen. Piva believes Brazil is a peaceful country that does not need defense weapons. "War materiel and the aerospace industry currently plays an important role in transmitting an image of quality brand, instilling confidence so as to allow Brazilian products be sold throughout the world," he said.

Roundup of Economic Reports

PY1011023594

[FBIS Editorial Report] The following is a compilation of reports on economic activities in Brazil monitored through 9 November:

According to the National Association of Automotive Vehicle Manufacturers, Anfavea, 132,732 vehicles were manufactured in October, which represents a 2.95 percent increase in comparison with September. Production of economic cars nearly doubled: While 21,000 economic cars were manufactured in January this year, more than 40,000 economic cars are currently being made, representing a 52 percent share of all vehicles currently produced. (Brasilia Voz do Brasil Network in Portuguese 2100 GMT 7 Nov 94)

Jorge Chami, foreign trade secretary of the Industry, Commerce and Tourism Ministry, reported on 4 November that the volume of Brazilian exports in October totaled $3.873 billion. Chami admitted that the October result has followed the tendency to drop, which had been foreseen by government experts. Although in September Brazilian exports totaled $4.162 billion, Chami pointed out that the amount of exports per day in October was higher than in September because there were fewer working days in October. Brazilian exports per day in October totaled $204 million and in September they totaled $198 million. (Sao Paulo AGENCIA ESTADO in Portuguese 2158 GMT 4 Nov 94)

Petrobras, Brazilian Petroleum Corporation, has signed a one-year contract with Argentina's YPF—Government Oil Deposits—for importation of 25,000 barrels of oil per day. Petrobras will pay $150 million annually for the provision of oil. Argentine oil exports to Brazil average 100,000 barrels per day. Argentina is Brazil's second largest oil supplier, next to Saudi Arabia, which sells Brazil 160,000 barrels per day. YPF President Jose Estenssoro has reported that in October, Petrobras and YPF signed a letter of intent for joint exploration of off-shore oil fields in the Mexican Gulf. "It is a long-term program for four or five years, in which each side will invest $30 to $40 million," Estenssoro said in Sao Paulo on 30 October. (Sao Paulo GAZETA MERCANTIL in Spanish 2 Nov 94 p 14)

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Carlos Moreira Ferreira, president of FIESP, Sao Paulo State Federation of Industries, on 7 November complained about the entrepreneurial sector's absence from the multilateral negotiations for creation of Mercosur—Common Market of the South. "Strictly speaking, entrepreneurs do not participate in this process, at least in the comprehensive and systematic manner that we deem desirable to obtain positive results," he said in Sao Paulo at the opening session of a seminar entitled: "Four Years of Mercosur Negotiations." Moreira said the meetings with representatives of some entrepreneurial sectors, which are mere briefings, are very limited and, therefore, insufficient. "We lack appropriate information with regard to the Mercosur timetable, because dissemination vehicles are limited," Moreira said. He complained that "the information offered to entrepreneurs is not updated with desirable speed." (Sao Paulo AGENCIA ESTADO in Portuguese 2224 GMT 7 Nov 94)

The Sao Paulo Stock Market, Bovespa, has reported that the outflow of foreign capital in October was larger than the inflow. According to data released by Bovespa, foreigners purchased $1.74 billion in shares in October, but sold $1.757 billion, which resulted in a negative balance of $16.5 million. The participation of foreign capital in the Bovespa overall volume totaled 21 percent. Lack of foreign resources for the market was considered the main reason for the stock market's weak performance in October. Bovespa accumulated a 12.51 percent loss in October, while the Rio de Janeiro Stock Market experienced a 10.11 percent loss. (Sao Paulo AGENCIA ESTADO in Portuguese 2033 GMT 4 Nov 94)

According to the Economic Research Institute Foundation, FIPE, the October inflation rate stood at 3.17 percent, which is 2.35 percent higher than the 0.82 percent inflation rate registered in September. This rate resulted, in particular, from increases in the prices of foodstuff, rents, and services. In October, prices of foodstuffs went up 6.39 percent, while in September they had a negative variation of 0.27 percent: The price of beef went up 21.75 percent; chicken, 15.28 percent; beans, 233.99 percent; oranges, 37.25 percent; and maids' salaries, 12.5 percent. Rents went up 11.02 percent and services saw an average 3-5 percent increase. Prices of cleaning products and personal hygiene items, however, dropped by 1.80 percent and 0.68 percent, respectively, during the month. (Sao Paulo AGENCIA ESTADO in Portuguese 1921 GMT 4 Nov 94)

The Brazilian Institute of Geography and Statistics, IBGE, on 8 November reported that the National Consumer Price Index, INPC, reached 2.82 percent in October, based on data collected between 30 September and 27 October. In September, the INPC reached 1.40 percent. The IBGE reported that the IPCA, Expanded Consumer Price Index, reached 2.62 percent in October, while it reached 1.53 percent in September. (Sao Paulo AGENCIA ESTADO in Portuguese 1143 GMT 8 Nov 94)

Compared to October 1993, the number of heavy trucks sold this October was 30 percent higher. The Scania manufacturers, the largest manufacturers of heavy trucks, sold more trucks in October than it did throughout 1993, when its sales had already reached a record level. From January to October, the company sold 5,610 trucks, 6 percent more than it did from January to December 1993. In October, the number of trucks and cars sold countrywide increased by 11.5 percent. The number of imported cars sold in the domestic market in October doubled the number sold in September and totaled 7,000 units. Sale of used vehicles, however, dropped by 25.56 percent in October. If we consider only the last week of the month, these sales dropped by 90 percent as a result of the new economic measures seeking to reduce consumption. (Sao Paulo AGENCIA ESTADO in Portuguese 2019 GMT 4 Nov 94)

According to the Department of Research and Statistics of the Sao Paulo State Federation of Industries, Fiesp, the level of employment at Sao Paulo industries increased by 0.50 percent in October and 11,481 new workers were hired. After almost one year of dismissals, this is the second consecutive month in which the level of employment at Sao Paulo industries increased. In the last week in October, however, 1,874 workers were dismissed. Of the 46 labor unions investigated by Fiesp, 25 hired workers, 12 dismissed workers, and nine maintained their number of workers. Most of the workers (6.37 percent) were hired by canning plants, while cocoa products and candy manufacturing plants hired 6.16 percent of the workers, and the marble and granite industries hired 5.63 percent. The largest number of dismissals occurred in highway and railway equipment and material plants (less 5.97 percent), watch manufacturers (less 3.91 percent), and shoemakers of the city of Franca (less 3.59 percent). The level of employment remains negative this year with a balance of 39,993 dismissals (less 1.70 percent). Over a 12-month period, the unemployment rate totaled less 2.50 percent and the number of dismissals totaled 59,180. (Sao Paulo AGENCIA ESTADO in Portuguese 1856 GMT 7 Nov 94)

The Vale dos Sinos shoe manufacturing center, which comprises a group of 24 small and medium-sized Rio Grande do Sul counties located on the banks of the Sinos river, this year will register losses in many of its 400 factories. Between January and September, 58 factories were closed in seven counties, leaving 12,000 jobless workers. All those factories exported shoes to various countries. Brazil has approximately 4,000 shoe factories, of which some 450 sell their production abroad. In 1993, Brazil's total production was 562 million pairs. In 1993, of the 183 million pairs of shoes exported, 146 million were produced in Rio Grande do Sul, especially in Novo Hamburgo, which houses some 200 medium-sized and large enterprises. In 1994, of the 24 Novo Hamburgo factories that stopped producing shoes, 16 closed because they went bankrupt. The number of job positions dropped from 25,000 in January 1994 to 18,000.

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Carlos Gilberto Koch, president of the Novo Hamburgo Shoe Industry Union, has said that all closed factories have attributed their closure to the exchange rate drop. (Sao Paulo GAZETA MERCANTIL in Spanish 1 Nov 94 p 9)

Rio Drug Trafficker 'Robertinho' To End 'Truce' 1 Jan

PY0911152094 Sao Paulo AGENCIA ESTADO in Portuguese 1959 GMT 8 Nov 94

[FBIS Translated Excerpt] Rio de Janeiro, 8 Nov (AE)—The truce celebrated on 7 November, when drug traffickers in the Parada de Lucas slum handed over to the police 20 weapons, has a time limit. On 1 January, drug trafficker Jose Roberto da Silva Filho, aka Robertinho de Lucas, who controls the drug trafficking in that slum, will reactivate the drug selling posts and resume sales. The drug trafficker will wait until the effects of the Armed Forces operations "calm down" to resume control over drug trafficking in the Parada de Lucas slum, which is located in the northern part of Rio de Janeiro.

This bit of news was reported today by drug traffickers in the Vigario Geral slum, next to Parada de Lucas. Drug trafficking in Vigario Geral continues at full tilt, although in Parada de Lucas it had stopped as a result of an agreement made between the president of the local residents association, Santusa Constantino, and the drug traffickers' lawyer Celio Maciel. To seal the truce, drug traffickers Adao dos Santos Gomes, aka Adao, and Gerimaldo Correa, aka Gege, who work as managers for "Robertinho de Lucas," decided to lay down their arms. They handed over 20 weapons, most of them rusty and old, to the police. The ceremony was even attended by Governor Nilo Batista (Democratic Labor Party), who arrived in a helicopter with his wife Vera Malagute and advisers. On the occasion, the governor said he believes "other groups may follow the gesture." [passage omitted]

Chile

Frei Sees Chile as 'Bridge' Between Latin America, APEC

PY0911152294 Madrid EFE in Spanish 1924 GMT 8 Nov 94

[FBIS Translated Text] Santiago, 8 Nov (EFE)—Before leaving for Indonesia, Chilean President Eduardo Frei today stated that by joining Asia Pacific Economic Cooperation (APEC), Chile may become a bridge between the countries of that region and the Latin American Southern Cone countries.

Frei will travel to Jakarta on 10 November, and on 15 November he will be received in his capacity as president of a new APEC member country.

Before this he will pay a working visit to Australia and another to Japan, as well as an official visit to South Korea.

In Jakarta, Frei will hold bilateral meetings with the chiefs of state and government attending the conference, among them U.S. President Bill Clinton, with whom he will raise the fast track issue for a bilateral free trade agreement or the possibility of joining NAFTA, currently made up of the United States, Canada, and Mexico.

Frei denied favoring an adverse result for Clinton's Democrats in today's U.S. legislative elections, although he mentioned that the Republicans were more in favor of Chile joining the free trade agreement without the requirements demanded by the Democrats in the environmental and labor fields.

During a meeting with foreign journalists, President Frei noted the importance of the free trade agreement and the Common Market of the South (Mercosur).

Frei said he believes Chile may become a bridge, "though not the only one, and not the leader," between the countries of the Latin American Southern Cone and the Asia-Pacific region.

He based his argument not only on the integration process between the countries of the region, but also on the corridor established between the two oceans and the agreements in the energy field currently in force between the countries of the region.

Frei reiterated that Chile's request to join Mercosur was a political decision made by his government, in order to be able to become members of broader markets without neglecting the current bilateral trade agreements.

Frei mentioned that in 1994 55 percent of Chilean exports went to the Asia-Pacific region and 40 percent of Chilean imports come from that part of the world.

Out of the $9.2 billion in Chilean exports in 1993, $4.689 billion went to countries of the region Chile will join next week.

By the end of this decade Chile hopes to export goods worth $20 billion.

President Frei will travel to the APEC conference with the largest ever commercial and cultural Chilean delegation to the Pacific, made up of some 100 businessmen, university rectors, and legislators.

In Japan he will meet with the imperial couple, who met with him in the past, before assuming the throne, when Frei traveled to Japan on a study trip.

On 20 November Frei and his retinue will arrive in Seoul (South Korea) to start an official three-day visit where he will meet on several occasions with President Kim Yong-sam.

Israeli Navy Commander Pays Eight-Day Visit

PY0811205994 Madrid EFE in Spanish 2354 GMT 7 Nov 94

[FBIS Translated Text] Santiago, 7 Nov (EFE)—The Chilean Navy reported today in a communique that the

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Israeli Navy commander, Rear Admiral Ami Ayalon [name as received], has paid an official eight-day visit to Chile during which he visited several Chilean towns and naval bases.

The Israeli Navy commander visited Chile at the invitation of the Chilean Navy commander, Admiral Jorge Hernan Martinez Busch.

The objective of the visit was to learn something about Chilean Navy installations and capabilities, in addition to "tightening the friendly relations prevailing between the two institutions."

This visit, which was made between 29 October and 6 November, included visits to Navy installations in Santiago; Valparaiso, the country's main port; Talcahuano; and Puerto Williams and Cabo de Hornos in the southernmost area of the country.

The Isrraeli Navy commander's first official activity in Santiago was a meeting with Chilean Defense Minister Edmundo Perez Yoma, who between 2 and 4 October 1994 also made an official visit to Israel, where he visited several military ordnance plants.

During that visit, after a meeting with his Israeli counterpart and head of government Yitzhaq Rabin, Perez Yoma told the local press about technology imports "such as the Condor radar plane" mounted on Boeing planes by Israel Aircraft Industries Ltd. (IAI).

After a luncheon given by Rabin in Jerusalem, Perez Yoma said that the Chilean Armed Forces are purchasing rocket and missile technology from Israel.

Among other bases, Rear Admiral Ayalon visited the torpedo base in Puerto Williams; the maritime shipyards in Talcahuano; and the submarines command post.

FPMR Leader Arrested, Accused of Bomb Attack

PY0911193094 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1700 GMT 9 Nov 94

[FBIS Translated Text] A detainee has been presented to the media by the police as a presumed terrorist who reportedly holds an important post within the Manuel Rodriguez Patriotic Front [FPMR]. He was placed at the disposal of the Talca military prosecutor's office and taken from Santiago to Talca because of his possible participation in events in the Seventh Region.

Carabineros intelligence personnel arrested Jose Rigoberto Valdivia Mora following a lengthy investigation that reportedly involves him in the murder of two Carabineros: one at the Los Quenes police station in 1988, and the second in Chillan in June 1990. As they arrested him, the police seized subversive material, 56 rounds of ammunition, leaflets, and FPMR kerchiefs.

This presumed terrorist reportedly set up guerrilla training schools in Rio Claro and Talca. He is believed to be responsible for the bomb attack in September 1994 at Las Palmas Promenade in Providencia.

Colombia

Government Ends Plans for Drug Referendum

PA0911233894 Santa Fe de Bogota EL TIEMPO in Spanish 1 Nov 94 pp 1A, 11A

[Report by John Gutierrez]

[FBIS Translated Text] A referendum to consult Colombians on whether personal drug use should be decriminalized will not be held. President Ernesto Samper Pizano's administration decided it will not call a referendum aimed at reversing the controversial Constitutional Court ruling that overturned jail terms for minimum doses of marijuana, cocaine, and hashish.

The Samper administration has several arguments to support its decision: the high costs of a referendum; the need to obey judicial decisions, particularly high court rulings; and adequate police presence and administrative penalties. The last argument has to do with rules and regulations that mandate arrests, dismissals of private and official employees, fines, and the cancellation of drivers' licenses, among others, as a means to punish certain drug users.

EL TIEMPO has learned that Samper and some of his closest advisers have already officially presented this position to the Constitutional Court. When consulted about the decision, Jorge Arango Mejia, president of the Constitutional Court, told EL TIEMPO yesterday, "The government's decision deserves the recognition of all Colombians, because it strengthens respect for legal order and, in particular, the independence of the judicial branch."

Arango said: "When the first announcements were made on the possibility of holding a referendum to reaffirm a Constitutional Court ruling, I argued that in principle a mechanism for a popular consultation would be unacceptable, because it could become a government instrument to disregard a judicial decision."

According to experts, in practice it would cost more than 20 billion pesos to hold a referendum. Furthermore, the government sees no need to begin its term with a confrontation with the Constitutional Court.

"We cannot see what this referendum would contribute to judicial security, considering we have adequate laws to deter possible drug consumers," one source said.

Last, according to some sources, current controls to restrict drug possession and consumption have proven effective. A National Drug Directorate study, which is now in the hands of members of the top levels of government, shows drug consumption did not skyrocket following decriminalization.

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The referendum initiative, which was headed by former President Gaviria, was submitted on 26 July to the electoral organization by its promoters—a group of spokesmen representing unions, workers, the Catholic Church, and other sectors.

The intention was to again give Congress the power to pass laws to restrict, prohibit, and punish possession of small doses of drugs for personal consumption. This power was curtailed by a Constitutional Court decision that overturned National Drug Statute articles that made all drug consumption illegal.

The plea to invalidate the decision followed a vote that divided magistrates 5-4 over a court opinion drafted by Magistrate Carlos Gaviria Diaz. The ruling went into effect on 5 May.

The government's decision, which will be announced this week, came one day after elections were held for mayors, governors, deputies, and councilmen.

The Decision

In the court's opinion, the state cannot adopt a repressive policy to control the consumption and possession of drugs. However, the court has pointed out, Congress can pass a law to regulate the circumstances under which drugs are used.

The court stated that Congress can, without violating such basic rights as equality and freedom, legally regulate circumstances surrounding drug use, such as the place, age of the user, activities, and so on, if those circumstances are inappropriate or pose a danger to the public.

The court stated that to counteract drug addiction in Colombia the government should adopt a strategy of educational campaigns, which should be strengthened by strictly enforcing laws in public areas, businesses, and workplaces, which is currently the case in terms of alcohol and tobacco use.

The Declaration

The following is the court president's exclusive statement regarding the government's decision not to call a referendum:

The National Government's decision deserves the recognition of all Colombians because it strengthens respect for legal order and, in particular, the independence of the judicial branch.

When the first announcements were made on the possibility of holding a referendum to reaffirm a Constitutional Court ruling, I argued that in principle a mechanism for a popular consultation would be unacceptable, because it could become a government instrument to disregard a judicial decision.

Through his admirable republican and democratic spirit, the president of the Republic has accepted a principle that is an irreplaceable foundation of legal order: Rulers must adhere to the Constitution, not the Constitution to the wishes of rulers.

Prosecutor General Reacts to Cartel Chief's TIME Interview

PA0911235694 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 9 Nov 94

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] Regarding drug trafficking, TIME magazine's interview with Gilberto Rodriguez Orejuela has provoked two reactions from Prosecutor General Valdivieso: First, Valdivieso became upset with President Ernesto Samper for expressing an opinion on the surrender to justice policy; and second, Valdivieso was upset with Rodriguez Orejuela for attempting to use the media to send him messages.

Prosecutor General Valdivieso's anger can be traced back two weeks ago, when a TIME magazine interview with Cali Cartel chief Gilberto Rodriguez Orejuela was published. As you may recall, the same article carried a reply by President Samper in which he pointed out that it was more important to the government to dismantle the drug cartels than to simply have their leaders jailed while the drug trade prospers.

The president's comments annoyed Prosecutor General Valdivieso, who told Samper of his disagreement with an opinion he considered inappropriate and which infringed on the jurisdiction of the Prosecutor's Office regarding the policy of surrendering to justice.

According to the prosecutor general, Gilberto Rodriguez used the magazine to send a message to the government to test the waters. This prosecutor's opinion was reinforced when he received a letter from Gilberto Rodriguez Orejuela—following publication of the article—in which he affirmed that conditions did not exist for him to surrender to justice.

For his part, the president told the prosecutor general that he has no intention of becoming directly involved in the handling of the surrender policy. Samper said that, in the TIME article, he simply was replying to a specific concern and did not propose any strategy for fighting drug trafficking.

Tomorrow, Prosecutor General Valdivieso will issue a reply to the TIME article in which he will reiterate that drug traffickers cannot negotiate, much less communicate, with the government through the media. If they want to negotiate, they must do so directly with the Office of the Prosecutor General.

Five Guerrilla Fronts Said To Operate on Border With Venezuela

PA0911202394 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 8 Nov 94

[From the "National Newscast"]

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[FBIS Translated Text] Venezuela wants to hold a security summit with Colombia. It claims it is important to stop Colombian guerrilla attacks at the border. The National Newscast learned about the groups operating in the area and found out there could also be a Venezuelan guerrilla group operating there.

Five fronts from the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] are operating on the Colombian-Venezuelan border.

According to Army Command sources, Fronts 41, 10, and 33 of the FARC [Revolutionary Armed Forces of Colombia] and the Armando Cauca and Domingo Lain Saenz Fronts of the ELN [National Liberation Army] are carrying out activities in the areas of (Cutufi), El Pinal, El Nula, La Victoria, and El Amparo, which are Colombian-Venezuelan territories.

Nearly 40 guerrilla attacks have occurred in this area in the past five years, and 106 persons have been kidnapped, including cattlemen and merchants. Two attacks, apparently carried out by guerrillas, disrupted public order at the border last week.

Tomorrow the Venezuelan ambassador to Colombia will meet with Foreign Minister Rodrigo Pardo to talk about the Venezuelan Government's concern regarding the counterguerrilla actions at the border conducted by the Colombian Army. Venezuelan Special Minister Pompeyo Marquez said the subversion problem is Colombia's problem, because there are no guerrillas in Venezuela.

It was learned, however, that according to preliminary intelligence reports, the Venezuelan Red Flag guerrilla group is carrying out actions in Amazonas Department. The guerrillas in this area operate by kidnapping people and by carrying out gunrunning activities.

Ecuador

Armed Forces Replace FAL Rifles with HK33

95SM0044B Guayaquil EL UNIVERSO in Spanish 19 Oct 94 p 12

[Text] Quito—The armed forces have replaced their FAL [Belgian Small Arms Factory] rifles with HK33 [Heckler and Koch] rifles, ending a long process of negotiations which began in 1991.

According to Minister of Defense Jose Gallardo, the last shipment has arrived in Ecuador. He stated that this order for rifles is not something which has just come up. The only objective for the Ecuadoran Government was to replace old rifles purchased in 1960. Gallardo added that the old rifles have passed through the hands of 30 annual classes of conscripts under training and are now in poor condition.

As the same time he said that the new rifles are not particularly expensive weapons.

There were difficulties in the acquisition of this equipment because Heckler and Koch (HK), the German arms factory which made them, went through an economic crisis which prevented it from meeting the terms of the contract.

The National Defense Council authorized the acquisition of the rifles after the Council of Generals issued a report recommending the purchase of the HK33 rifles and its accessories from Heckler and Koch. When the report was prepared, the then Brigadier General Jose Gallardo, now minister of defense, presided over the Council of Generals.

Contract

According to the contract, the purchase of the weapons involved a total payment of $32,897,537. Payment terms provided that 15 percent of the total FOB [Freight on Board] value of this purchase, or $4,934,630, would be paid within 60 days following signature of the contract. The remaining 85 percent of the total value of the contract, or $27,962,906, was to be paid by cabled drafts, in accordance with the value of the partial deliveries to be made.

The seller promised to make the first, partial shipment of o73 fully assembled HK33E rifles within six months of having received the initial draft, and all of the shipments would be completed by December 1993.

The contract of sale stipulated that before the contract was completed and to ensure its faithful execution, the seller would turn over to the buyer a guarantee of five percent of the value of the contract, or $1,644,876. To ensure the proper use of the anticipated payment, the seller also turned over to the buyer a guarantee of $4,934,630.

Problems

On 27 July 1992 the National Defense Council issued Report No. 329 in which it recommended "considering the contract unilaterally terminated" because the seller was more than 30 days late in making the first delivery of the equipment.

On 23 July 1992 Heckler and Koch, the seller, justified its delay in performing under the contract, pointing out that the Security Council of the German Government would make a decision during September 1992 on an export permit for the shipment of the equipment referred to in the contract.

A report dated 11 January 1991, submitted by Claudio Luque, then minister and commercial counselor of the Ecuadoran Consulate in Hamburg, reported that the Heckler and Koch Company was in financial difficulty.

According to a press statement signed by Heinz Schulte, the financial crisis facing the Heckler and Koch Company was caused by the fact that the sale of a modern rifle using 4.7 mm caseless ammunition had fallen

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through. The firm had expected to receive $40 million for the first production order for the equipment.

The problems for the German company worsened after GIAT, "Land Armaments Industrial Group," a French company, decided against purchasing equipment from Heckler and Koch.

A solution for the problems facing the German company was reached when it was bought out by a British firm. This made it possible for Ecuador to receive the total amount of light weapons listed in the contract signed in November 1991.

Minister of Defense Gallardo stated: "I should say with pleasure that we have just received to our full satisfaction the last shipment of equipment, which has just reached our country. That is, the contract has been completed along the lines initially agreed to and without any problem."

Peru

Argentina's Menem Seeks To 'Rebuild Relations' With Peru

PY0911231594 Madrid EFE in Spanish 1912 GMT 9 Nov 94

[FBIS Translated Text] Lima, 9 Nov (EFE)—Argentine President Carlos Menem kicked off his first official visit to Peru today by recognizing Peruvian democracy. This confirms his decision to rebuild relations between the two countries, which deteriorated in 1992.

Arriving this morning at the 8th Group Military Airport in Lima, where he was welcomed with honors by President Alberto Fujimori, President Menem said: "Peru now has a real, sure democracy with every required freedom."

Menem was one of Fujimori's harshest critics and promoted a total isolation of his government following the institutional coup on 5 April 1992, which was backed by the Armed Forces.

The democratic interruption lasted 10 months and ended with elections to renew the municipal governments and Congress, and a referendum to approve the new Constitution.

After expressing satisfaction at being in Peru, Menem labeled Fujimori a "great president," and highlighted the political issues upon which he agrees with Fujimori—a point that was picked up by the Peruvian press.

The Lima press cited as the main points of agreement the success in the economic opening programs implemented by the two governments, and the popular support enjoyed by the two presidents.

The press also noted that they both seek reelection and will probably win the elections in their respective countries.

Menem added that his main agreement with Fujimori is that they both head "processes of profound change based on consolidating a process of pacification." Menem said: "The Peruvian process is on a good path and going at a good rhythm. This is why I have no doubt it will go on to greater levels of success."

President Menem arrived with a delegation of congressmen and private businessmen who want to invest mainly in the privatization of Peruvian state companies. Menem said Argentine investors have "great expectations" of sealing business deals, recalling that a few days ago the Argentine Government Oil Deposits (YPF) won a bid to prospect and exploit oil in the northern Peruvian jungle region.

Menem later laid a wreath at the monument of Argentine General Jose de San Martin, the liberator of Peru, in the San Martin Plaza, in downtown Lima.

In the afternoon, Menem held his first meeting with President Fujimori at Government House. He then went to city hall where he received honors and the key to the city.

Menem's agenda also includes a speech before Congress, and a dinner at the presidential residence where President Fujimori will honor him with the Grand Cross of Diamonds of the Order of the Sun, which was created by General San Martin in 1821.

On 10 November, Menem will hold a working breakfast with Peruvian and Argentine businessmen at his hotel. He and Fujimori will then visit several public works projects, sign three agreements, and hold a news conference. The agreements include one to guarantee private investments and one on cultural and scientific cooperation.

Before returning to Argentina at midnight on 10 November, Menem will fete President Fujimori at the residence of Argentine Ambassador Arturo Ossorio.

Red Peru Members Described as 'Common Criminals'

PY0911212194 Lima Panamericana Television Network in Spanish 0100 GMT 7 Nov 94

[FBIS Translated Excerpt] Some reports indicated that an organization named Red Peru was replacing the Shining Path. Fortunately, this was not true. This week the Dincote [National Counterterrorism Directorate] captured the members of this group who were found to be common criminals. This is the report:

[Begin recording] [Unidentified reporter, in progress] ...released a report that caused some concern, regarding the existence of a new terrorist organization named Red Peru. This group was believed to be responsible for the latest attacks in Lima, such as the attack against the Bank of the Nation located in the Agustino district. But this alleged subversive organization, which was reported as practically replacing the Shining Path, was not what it

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was believed to be. The group turned out to be common criminals with aspirations of becoming terrorists. What really happened with the Red Peru group is rather simple. Only about one month ago the Dincote received a confidential report from the Army that a repentant terrorist in a military base in the Upper Huallaga reported the existence of a new subversive group, giving the names of its members and even their addresses. The group's name was Red Peru. Juan Martinez Perez, aka Jairo, who heads the so-called Red Peru subversive group, was captured near the central market on 24 October. Only one week later the remaining members of the group were also captured. It was a simple operation because thanks to the five key addresses given by the repentant terrorists—three in Lima, one in Chimbote, and the other in Huanuco—the group members were captured. When the members of Red Peru were captured, they denied being terrorists, but when not only stolen merchandise but subversive pamphlets were found in their hideouts, they all sought protection under the Repentance Law. Were they then members of a terrorist organization or a group of common criminals covering themselves under that facade?

In the past, the members of the group were union activists who belonged to the rank-and-file of the Union of the Revolutionary Left Movement. Only one of them had a criminal record. He is Nolberto Pilco Ventura, aka Leopoldo, who was reportedly in charge of organizing the political structure of Red Peru. But Pilco Ventura has been under arrest since July 1994 for an attempted fraud of $25,000 against a company. But three months later, when the remaining gang members were captured, Pilco Ventura was identified as the organizations's number two man. This is an organization with a history of common crimes that is nothing extraordinary—five hold-ups. The gang stole 400 new soles and two cellular phones in a jewelry shop, 30,000 new soles in a lottery office, two photo copying machines from a private company, and a printing machine from a distributing company. Its greatest hold-up was in the House of Peasants, an NGO [nongovernmental organization]. [passage omitted]

According to the Dincote, the members of the so-called Communist Party of Peru-Red Peru got together in 1990 but they have not committed any terrorist acts. All they did was carry out the five hold-ups from September 1993 to July 1994. Also, these criminals did not have modern weapons, such as other criminal organizations now have. [passage omitted]

Therefore, Red Peru was not a subversive organization that would replace the Shining Path. This gang of common criminals wanted, however, to become a subversive organization in the future, according to the pamphlets seized from them. They were planning to create a central committee and three regional committees to operate in Lima, Trujillo, and Huanuco. They were also thinking of starting a military school to train the first commandos of the group to start the armed struggle, as discovered in a document. A political declaration was also found. The declaration discloses the first guidelines of the group's actions. The declaration says that the Shining Path and the MRTA [Tupac Amaru Revolutionary Movement] are in a state of decadence due to their wrong policies, which are not the aspirations of the poor. But the group says that power comes from the gun, which is a very dangerous statement even if it is not put into practice. The Second Dincote group headed by Colonel Juan Gonzalez quickly deactivated this gang because [words indistinct]. [end recording]

Car Bomb Explodes at Air Force Officers' Club in Lima

PY1011120494 Lima America Television Network in Spanish 1100 GMT 10 Nov 94

[FBIS Translated Text] After a lengthy period of inactivity, terrorists exploded a car bomb at the door of the San Isidro Air Force Officers' Club. No one was injured, but there was considerable property damage. The explosion took place early this morning.

The explosion of a powerful car bomb early this morning rattled the Air Force Officers' Club on Javier Prado Avenue, block number 10 West, causing considerable property damage.

According to witnesses, two vehicles were parked outside the military club, one of which was left there. This vehicle exploded a few minutes later, while the second car left the place rapidly with four people inside.

The strong explosion affected the club's infrastructure, damaging it internally and externally. Fortunately there was no need to report any casualty. According to the police, the subversives stole the vehicle, a Toyota, license plate number TG-5194, last night from the (Ibipol) zone, loading it with 30 kg of dynamite to commit this crime. The car was totally destroyed, and its parts flew over a radius of 50 meters.

Peruvian Air Force and National Police agents immediately went to the place to adopt the necessary security measures, such as controlling traffic. Firemen also evaluated the damage caused to the building, while others tried to put out the fire caused by the strong explosion.

The shockwaves also affected nearby houses, shattering windows and causing uneasiness among the public, who experienced a moment of tension caused by the strong explosion. It should be mentioned that at the moment of the attack there was no guard at the club, and the terrorists took advantage of this situation.

Uruguay

Polls Indicate Colorado Party Leading in Presidential Race

Unreleased Cifra Poll

PY0911211994 Buenos Aires LA NACION in Spanish 9 Nov 94 p 5

[Article by unidentified LA NACION correspondent in Montevideo]

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[FBIS Translated Text] Montevideo—A poll conducuted 16 October by the polling enterprise Cifra found the Colorado Party has 28.7 percent of the people's preference [for the 27 November presidential elections], the Nationalist Party has 25.3 percent, the Progressive Encounter has 20.5 percent, and 15.5 percent remain undecided.

The announcement was made by Julio Maria Sanguinetti during a public meeting in the city of Canelones, 40 km north of Montevideo.

He said the poll results are in the hands of the press department of the National Party, which has not disseminated it. The 3.4 percent difference means about 70,000 votes, which would guarantee a relatively comfortable victory for the Colorado Party.

Although Sanguinetti did not mention it, sources close to LA NACION—which confirmed the existence of the poll—added that the poll takes on a special significance if one remembers that Cifra were first to reveal the growth of the National Party and first to place it above the Colorado Party.

After revealing the contents of the poll, Sanguinetti warned that it is necessary to fight a "triumphalist bearing."

He said public opinion throughout the country once again favors the Colorado Party.

Regarding the fact that the press organization has not published the Cifra poll, Sanguinetti said ironically that Cifra is under an exclusive contract, which is why "we have not been fortunate enough to see the poll published in that prestigious National Party newspaper." Sanguinetti did not mention the name of the newspaper.

Equipos Consultores Poll

PY0911214694 Buenos Aires TELAM in Spanish 1935 GMT 9 Nov 94

[FBIS Translated Text] Montevideo, 9 Nov—The results of a poll were released today in this capital just 18 days before the Uruguayan general elections. It shows the governing National Party maintains its lead and has overtaken the Colorado Party in the city of Montevideo.

The poll, which was carried out by the Equipos Consultores enterprise between 28 October and 8 November, was published today in the independent newspaper EL OBSERVADOR ECONOMICO.

The poll reveals that the National Party has the support of 30 percent of the electorate, followed by the Colorado Party with 28 percent, and the leftist coalition Broad Front is third, with 24 percent.

For the first time in the past 4 years the National Party has overtaken the Colorado Party and has a 2 percent lead in the city of Montevideo, which is home to some 45 percent of those who will vote on 27 November.

The poll shows the Broad Front continues an ample lead in Montevideo, where it has the support of 34 percent. The National Party in Montevideo has the support of 24 percent of the electorate, while the Colorado Party has 22 percent. The Equipos Consultores poll shows that 13 percent of Uruguayans still do not know for whom they will vote in the elections.

This poll released in Montevideo shows the Colorado Party support dropped 1 percent while the National Party and the Broad Front are in the same positions they have held for the past 2 months.

During mid-October the National Party (Blanco) had the support of 30 percent of the electorate, the Colorado Party had 29 percent, and the Broad Front had 24 percent.

Julio Maria Sanguinetti, the Colorado Party president and its presidential candidate, continues to have the majority support (78 percent) of the citizens who consider themselves to be Colorados.

A long way behind Sanguinetti come neoliberal leader Jorge Battle with 12 percent, and former President Jorge Pacheco Areco with 8 percent.

As for the National Party, Alberto Volonte, who broke with the official faction of the party, has 46 percent of those consulted.

Juan Andres Ramirez, the candidate of the official Herrera faction, has the support of 39 percent of those consulted, and center-left Senator Carlos Julio Pereyra has 10 percent of the National Party vote.

Herreraist Faction Leader on Strategic Interests, Military

PY1011003194 Montevideo LA MANANA in Spanish 5 Nov 94 p 2

["Summary" of remarks by Herreraist faction presidential candidate Juan Andres Ramirez to LA MANANA "a few hours before touring the interior of the country;" place not given]

[FBIS Translated Text] [LA MANANA] What are the main strategic interests for the country?

[Ramirez] Uruguay's main strategic interests are territorial defense, economic opening, the protection of national values, environmental protection, and regional, domestic, and international order.

[LA MANANA] Within this context, what is the role played by the Armed Forces?

[Ramirez] I believe the Armed Forces must become an essential part of our structure and, to this effect, must strengthen their current organizational, operational, and material structure.

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[LA MANANA] The "national defense" concept plays a key role. What do you understand to be the "national defense" concept, and what does it involve?

[Ramirez] The national defense concept involves military factors and also political, social, and state economy factors.

[LA MANANA] It has been said the Armed Forces operate without any common goals. Do you share this idea?

[Ramirez] I believe the Armed Forces can no longer operate without any common goals, without an updated educational system, without carefully chosen equipment, and without salaries commensurate with the professional value of their tasks.

[LA MANANA] In today's world, do you believe the current Armed Forces structure is appropriate?

[Ramirez] We must guarantee that the Uruguayan Armed Forces structure will be commensurate with our national defense and economic requirements. This includes streamlining administrative and infrastructure processes for each force. This will substantially improve their operational capabilities—with special emphasis on training and equipment—and prepare them to meet the challenges that our nation must face.

[LA MANANA] What will you promote if you become president?

[Ramirez] I will promote increased technical requirements throughout the military career in which the calling and leadership of the cadres of Armed Forces officers, which are the most valuable asset of our military institutions, must be encouraged and emphasized. I believe there is a direct relationship between the degree of professionalism and the effectiveness with which they carry out their task and, therefore, their contribution to society.

I will promote the professional level of our Armed Forces through laws that will attach greater importance to, and place greater emphasis on, the merit and ratings achieved by high-ranking and subordinate personnel. We must implement an integrated, detailed, and coordinated career program to inform Armed Forces personnel beforehand of their professional possibilities in keeping with their ability and achievements.

[LA MANANA] One conflict point is the salaries of Armed Forces members. What is your stand on this?

[Ramirez] I am greatly concerned over the standard of living of Armed Forces members. I will therefore promote a gradual salary improvement for all ranks, bearing in mind our country's economic possibilities and the various salary levels in keeping with their ranks and posts, and I will continue the policy of constructing houses for officers. I will later construct houses for NCO's.

[LA MANANA] Uruguay has participated in various peace missions. Are you in favor of this type of mission?

[Ramirez] I will pursue and increase Uruguay's participation in peacekeeping operations at the international level.

[LA MANANA] Personnel reductions have been mentioned on various occasions. Does this include the Armed Forces?

[Ramirez] I will reduce unnecessary National Defense personnel and cut out duplicated tasks and services. I will use these vacant positions to provide more Armed Forces combatants and to improve and adjust their salaries.

[LA MANANA] What will happen to the Civil Defense Directorate?

[Ramirez] The Civil Defense Directorate must be directly subordinated to the National Defense Ministry. It must increase and extend its activities, and coordinate with national, municipal, and local organizations and with social organizations and key sectors. It must truly become a National Directorate for Civil Protection [Direccion Nacional de Proteccion Civil].

[LA MANANA] What is your proposal for the Military Health area?

[Ramirez] I will promote a policy of administrative streamlining for improved use of human and material resources. I will complete the equipping that was implemented in 1994, bringing equipment from Spain and Germany.

[LA MANANA] There is a Uruguayan mission in Antarctica. The current administration has emphasized this mission by our Armed Forces. What is your stance on this issue?

[Ramirez] I will reaffirm our national rights in Antarctica. I will also increase the Uruguayan Antarctic Institute's activities and the occupation of this continent.

Venezuela

Pipe Bomb Explosions, Clashes in, Near Caracas

Bomb Explodes at Press Tower

PA0911181194 Caracas Venezolana de Television Network in Spanish 1600 GMT 9 Nov 94

[Report by Adriana Cabrera; from "The News" newscast]

[FBIS Translated Text] The defense minister has just ordered the Directorate of Intelligence and Prevention Services [Disip] to conduct an urgent investigation into the explosion earlier today of a pipe bomb at the press tower.

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Commissions of the Disip Explosives Division and the PTJ [Technical Judicial Police] On-Site Inspections Division searched the area and found subversive pamphlets near the explosive. The pamphlets read: There is no social peace with hunger.

The perpetrators have yet to be identified. Witnesses only heard the explosion.

[Begin recording] [Cabrera] Did you receive a telephone call alerting you to this?

[First unidentified speaker] No, no, no call. The explosion was simply heard in the area. Security agents approached the site, but the people had already left.

[Second unidentified speaker] A noise was heard early this morning. Since the press machine is noisy when it is first started I thought it was that. However, the explosion was powerful and the windows on the first floor—where the cafeteria is located—were shaken.

[Cabrera] No one was alarmed? No one was evacuated?

[Second unidentified speaker] No, because, like I said, the press makes a lot of noise. [end recording]

Clash at University

PA1011040694 Caracas Union Radio Network in Spanish 2200 GMT 9 Nov 94

[Report by Efren Perez Hernandez; from the "Union Radio News" newscast]

[FBIS Translated Text] A number of pipe bombs have exploded in Caracas, but, as we often say, it was more noise than anything else, and there is nothing serious enough to lament. The incidents took place in the area of the press tower, and the real objective was to spread subversive propaganda.

However, Valencia was the scene of serious incidents yesterday, and apparently they continued today. So-called students took up positions at Carabobo University and greeted police with grenades and military projectiles. The incident injured five police officers.

Meanwhile, state security personnel are investigating an explosion near the National Pantheon. Here is Efren Perez Hernandez:

[Perez] As reported by "Union Radio News," an explosive device was detonated in the garden between the buildings of the National Newspaper Library and the press tower at the National Pantheon just after 1000. The blast disseminated subversive propaganda leaflets. No group or person has claimed responsibility. Explosive experts from DISIP [Directorate of Intelligence and Prevention Services] gathered residual explosive materials, which are being examined along with the printed material. Regarding this case, Nelson Efrik, chief of security at the press tower, reported the following:

[Begin recording] [Efrik] [Words indistinct] with subversive propaganda. The proper authorities were called.

[Unidentified reporter] Was there a telephone call?

[Efrik] We did not receive a call. We simply heard the explosion. Security officials went to the scene, but the perpetrators had already fled. [end recording]

[Perez] Although the blast did cause some alarm, no casualties or damages were reported.

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